

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION  
ARBITRATION UNDER ACT 312 PUBLIC ACTS OF 1969 AS AMENDED

In the Matter of:

PITTSFIELD TOWNSHIP

-and-

MERC Case No. D03 F-1163

POLICE OFFICERS ASSOCIATION  
OF MICHIGAN

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**STIPULATED ARBITRATION AWARD**

**Act 312 Arbitration Panel**  
**George T. Roumell, Jr., Chairman**  
**Thomas Griffin, POAM Delegate**  
**Fred B. Schwarze, Township Delegate**

**APPEARANCES:**

**FOR PITTSFIELD TOWNSHIP:**

Dennis B. DuBay, Attorney  
Fred B. Schwarze, Attorney  
John Phillips, Director of Public Safety  
Kristin Orłowski, Human Resources Manager  
Elizabeth McGuire, Deputy Director, Police  
Services

**FOR POLICE OFFICERS ASSOCIATION  
OF MICHIGAN:**

William Birdseye, POAM  
Marvin Dudzinski, POAM  
Thomas Griffin, POAM  
James Wickman, PTPOA President  
Aaron Chiles, PTPOA Vice President  
Gary Hanselman, PTPOA Member

The undersigned was appointed Chairman of the Act 312 Arbitration Panel in the dispute involving Pittsfield Township and the Police Officers Association of Michigan.

After a pre-trial conference, a hearing was held in this matter on November 29, 2004.

Following a detailed conversation with the Act 312 Arbitration Chairman, the Chairman urged the parties to agree to enter into a Stipulated Award which the Act 312 Chairman stated

would be the award that he would sign as there was a limitation of what the Panel could order in the Act 312 proceedings. Thus, the parties entered into the attached Stipulated Award. The attached Stipulated Award is hereby signed by the Chairman as the Panel's majority award and is binding on the parties. The Panel members have waived signature and have agreed that the Stipulated Award, pursuant to Act 312 of Public Acts of 1969, is an Award supported by a majority opinion and the signature of the Chairman verifies this fact.

  
GEORGE T. ROUMELL, JR.  
Chairman

December 8, 2004

**STIPULATED ARBITRATION AWARD**  
between  
**CHARTER TOWNSHIP OF PITTSFIELD**  
-and-  
**THE POLICE OFFICERS ASSOCIATION OF MICHIGAN**  
**(PITTSFIELD PATROL UNIT)**  
December 2, 2004

1. Agreement from date of Award, to and including, December 31, 2006.
2. Prior TA's. See attached. Also, add agreement on Domestic Violence Officer Pay Issue.
3. Article 12, Equipment and Article 13, Uniform Maintenance - See attached proposed Consensus Agreement 8/17/01.
4. Article 20, College Incentive Allowance - See attached proposed Consensus Agreement 8/17/01.
5. Holiday, Personal and Vacation Time - Maintain current vacation and personal time and add one more holiday (New Year's Eve, 2005) plus time and one-half for six designated holidays. The holiday is defined as the consecutive twenty-four (24) hour period starting at 12:00 midnight on the holiday. Effective January 1, 2005, an employee who works on the following six holidays (i.e., Christmas Eve Day, Christmas Day, New Year's Eve Day, New Year's Day, Thanksgiving Day and Fourth of July) will receive pay calculated at time and one-half the employee's regular straight-time rate for all hours worked on that day when the majority of the hours to be worked on the scheduled shift fall on the actual calendar holiday (e.g., for a 7:00 p.m. to 3:00 a.m. scheduled shift, the time and one-half premium will not be paid for the shift which starts at 7:00 p.m. on July 3rd, but will be paid for the shift that starts at 7:00 p.m. on July 4th). While there is no compounding or pyramiding of premium pay, an employee who works overtime on a holiday shift will receive two times his/her regular straight time rate for said overtime hours.
6. Article 15, Optical Care - Effective January 1, 2005, beginning with the next rolling 24-month period, the optical stipend shall be increased from \$120 to \$175. Further, the Township shall continue its practice of paying up to \$120 towards glasses when an employee has a prescription change requiring new glasses.
7. Article 16, Hospitalization Insurance (including opt-out) -  
  
Section 1. Effective the beginning of the month thirty (30) days following ratification, or as soon thereafter as is possible, the Township will provide group health benefits consisting of two HMO's, M-Care and Care Choices, with \$10 doctor office visit co-pay, a \$50 emergency room charge (\$20 urgent care) and a \$10 generic/\$20 brand preferred prescription drug and Community Blue Option 2

with a \$15 doctor office co-pay (CBO V15) the 20% mental health rider (CBMH 20%) and a \$10 generic, \$20 brand preferred prescription rider (with MOPD 2x).

The Township shall pay up to the level of the least expensive HMO, provided, however, the three current employees who take Care Choices will be grandfathered for the life of this Agreement (i.e., they will not have to pay the difference in premiums between Care Choices and M-Care). A payroll deduction is hereby offered. See attached proposed Consensus Agreement 8/17/01.

Section 2. Effective January 1, 2005, regular, full-time employees who are eligible for the Township's health insurance shall be entitled to participate in an Employer-sponsored opt-out program. A Section 125 Plan shall be adopted. Employees shall be required to show that a spouse has health care coverage that includes the employee before said employee will be eligible to participate in the opt-out program. A participating employee will be entitled to accrue a payment of \$100 per monthly billing period for any billing period during which said hospitalization insurance was not provided by the Township under the conditions set forth herein.

- a. Said payment shall be made as an adjustment to a regular paycheck in December each year. Only those employees employed as of the date of payment and enrolled in the opt-out plan shall be entitled to the payment in lieu of insurance.
- b. Said payment shall be for the twelve (12) calendar billing periods each year.

In the event the spouse's health care plan ceases to cover the employee, the employee may re-enroll in one of the Township's sponsored health plans, provided the employee applies within sixty (60) days from loss of such coverage and submits verification of loss of such coverage at that time. Coverage under the Township plan shall then become effective at the beginning of the next billing period, or as soon thereafter as permitted by the health provider.

8. Article 18. Insurance Eligibility - Add a new Paragraph C to Article 18.

"C. Eligibility, coverage and benefits under the Health, Life, Dental and Optical plans are subject to the availability of such plans and the terms and conditions contained in the contracts between the Township and the carrier(s)/provider(s). It is further agreed that the only liability assumed by the Township is to pay the premiums up to the level specified herein. If a plan becomes unavailable, the parties will meet to negotiate a replacement."

9. Retiree Health - Add attached Letter of Understanding as proposed by Union with understanding that retiree health is for life of agreement.

10. Pension - Effective December 1, 2006, the pension multiplier shall be increased from the B-2 to the B-3. In August, 2006, a 30-day pension window shall be in effect which will provide a B-3 multiplier and the E-2 benefit for anyone who retires with at least 25 years of service and age 50 or older.
11. Section 17. "Schedule A" - Wages - On or before December 31, 2004, a lump sum payment (minus applicable deductions) will be paid to each employee on the date of the Award, prorated for any absences in excess of thirty (30) days:

Employees at:	Start	-	\$ 500
	Step 1	-	\$2,500
	Step 2	-	\$3,000
	Step 3	-	\$3,500
	Step 4	-	\$4,000
	Step 5 or above*	-	\$4,600

\*Includes Detectives who have been Detectives prior to January 1, 2004.

Effective the beginning of the pay period on or after January 1, 2005, the wage schedule shall be as shown below.

Beginning of the pay period on or after January 1, 2006, said schedule shall be increased by three percent (3%) as shown in the schedule below.

	1/1/2005	1/1/2006 (3%)
Start	\$36,050	\$37,132
Step 1 (after 1 yr)	\$37,080	\$38,192
Step 2 (after 2 yrs)	\$39,904	\$41,102
Step 3 (after 3 yrs)	\$44,375	\$45,706
Step 4 (after 4 yrs)	\$48,008	\$49,448
Step 5 (after 5 yrs)	\$51,942	\$53,500
5-Year Longevity	\$52,692	\$54,250
10-Year Longevity	\$53,442	\$55,000
15-Year Longevity	\$53,842	\$55,400

The first longevity step shall be \$750 over Step 5 and shall become effective after five (5) continuous years of employment in the bargaining unit. The second longevity step shall be

\$1,500 over Step 5 and shall be paid after ten (10) continuous years of employment. The third longevity step shall be \$1,900 over Step 5 and shall be paid after fifteen (15) continuous years of service. For employees hired on or after 1/1/97, said longevity steps shall be increased from \$250 to \$500 after five (5) years of continuous employment and from \$500 to \$1,000 after ten (10) years of continuous employment, effective the beginning of the pay period on or after ratification.

12. The balance of the contract shall be as set forth in the current agreement dated November 22, 1999.

**ARTICLE 12 - EQUIPMENT**  
**and**  
**ARTICLE 13, UNIFORM MAINTENANCE**  
**PROPOSED CONSENSUS AGREEMENT**

1. Article 12, Equipment -

"Effective January 1, 2005, the three short-sleeve shirts, long-sleeve shirts, and uniform trousers shall be increased to four. In addition, equipment shall include two sets of hand-cuffs and a holster with ammunition holder with handcuff case for plain clothes."

2. Article 13, Uniform Maintenance - Paragraph 13(b) shall be amended to read as follows:

"(b) The Department's Uniform Committee shall meet at least on a annual basis. The Committee will be representative of the Department and will include a representative designated by the Union. The Committee will review and make recommendations requirement equipment/ uniform updates and/or changes, vendor service and the like. The Director of Public Safety shall make all final determinations after receiving recommendations and input from the Committee."

NOTE: These changes are in lieu of a uniform allowance and/or a change in the clothing allowance.

**ARTICLE 20 - COLLEGE INCENTIVE ALLOWANCE**

**Draft of Proposed Consensus Agreement  
on Eligibility and Repayment**

Any regular full-time Employee is eligible to be a participant of the Pittsfield Township Educational Assistance Plan providing the following conditions are met:

- a) The Employee must have held employment status with the Township for a period of no less than six *twelve* (12) consecutive months on the date of starting an approved course.
- b) As determined by the Employee's department head *Director of Public Safety and approved by the Township Board*, the course is directly related to the assigned duties of the Employee in his/her present position and direct application of knowledge to be gained in the course can be clearly stated; or the course is in preparation for possible future duties that may be assigned the employee in his/her present position.
- c) Reimbursement, upon *shall be upon proof of* satisfactory completion of an approved course with a grade of "C" or better for undergraduate courses, of "B" or better for graduate courses, *reimbursement* shall be one hundred percent (100%) of tuition only. Tuition is defined as the cost of instruction only. It is not be interpreted as including the costs of books, travel expenses, registration fees, late fees, added fees of any kind or the cost of course credit if separate from the cost of instruction. Reimbursement for general education courses required as part of an academic degree program, except for a course which instructs the Employee in any sport, game or hobby, shall be fifty per cent (50%) of tuition only.
- d) The Employee requests the tuition reimbursement and it is approved prior to starting classes.
- e) The course work and class time is to be completed during off duty working hours of the Employee.
- f) Evidence of satisfactory completing the course(s) in conjunction with proof of total payment for tuition is to be presented to the department head in order to receive any tuition reimbursement from the Township.
- g) Any stipend, grant,, scholarship, etc. which contributes toward the tuition payment shall be deducted on a prorata basis from the Township's assistance payment.
- h) Educational benefits will not be provided for programs beyond the bachelor's degree except for the following: ~~one master's degree, law enforcement related as determined by the~~

**PITTSFIELD TOWNSHIP**  
**2003 POAM Negotiations**  
**August 17, 2001**

~~Township on a grandfathered basis for anyone who has already enrolled in a Master's Degree program as of date of ratification that if an employee already has a Bachelor's Degree and the Township has not paid any tuition reimbursement for courses taken toward said BA, the Township will pay for courses taken for a Master's Degree, law-enforcement related, as determined by the Township.~~

- i) An employee shall be required to repay all money received under his Section 7 in the event the employee separates from the Township within a three-year period subsequent to completion of the course, in accordance with the following chart:

**If the Employee Separates:**

After less than 1 full year

After 1 full year but less than 2

After 2 full years but less than 3

After 3 full years

**Amount to be Repaid:**

Repaid in full

66-2/3% repaid

33-1/2% repaid

No repayment

Repayment shall be in one lump sum to be deducted from the employee's final paycheck, a payroll deduction is hereby authorized, or reimbursement shall be made forthwith by the employee upon separation of employment in the event there is not sufficient funds in the employee's final paycheck.

- j) The maximum tuition reimbursement per participant per fiscal year shall be \$1,200 for undergraduate courses and \$1,500 for courses taken toward a Master's Degree as provided in Paragraph h, above.

**PITTSFIELD TOWNSHIP  
2003 POAM Negotiations****ARTICLE 16 - HOSPITALIZATION INSURANCE**  
**DRAFT OF PROPOSED CONSENSUS AGREEMENT**

Revise Article 16 to read as follows:

~~The Township will provide at its expense a group hospitalization benefit which will contain hospital and surgical benefits, master medical benefits, pre and post natal care benefits and a medical prescription rider, which will be equal to or broader than the plan which was in effect during the 1987-1989 Agreement.~~

~~Employees who are husband and wife must choose one and the same family plan. The Township shall only be obligated to pay one premium in such situations.~~

~~A benefit in lieu of hospitalization insurance is available to an Employee who does not receive the township's hospitalization coverage (i.e. spouse's employer's insurance coverage, hospitalization covered from another source, etc.) in the amount of up to one thousand dollars (\$1,000.00) annually. This benefit must be used to enhance other insurance coverage currently offered by the Township (i.e. Optical, Dental, etc.). Documentation of use shall accompany request for payment of this insurance enhancement benefit.~~

~~Effective January 1, 1998, revise the hospitalization coverage as follows:~~

- ~~a) Change the traditional drug plan to \$5 preferred prescription drug; and~~
- ~~b) Amend the HMO's to provide a \$5 doctor office visit and a \$5 prescription drug charge (the 5/10 program for care choice) with a \$25 emergency room charge in exchange for the Township's agreement to pay for all increases in premiums arising during the life of the agreement.~~

**Section 1.** Effective the beginning of the month thirty (30) days following ratification, or as soon thereafter as is possible, the Township will provide group health benefits consisting of two HMO's, M-Care and Care Choices, with \$10 doctor office visit co-pay, a \$50 emergency room (\$20 urgent care) charge, and a \$10 generic/\$20 brand preferred prescription drug and Community Blue Option 2 with a \$15 doctor office co-pay (CBO V15) the 20% mental health rider (CBMH 20%) and a \$10 generic, \$20 brand preferred prescription rider (with MOPD 2x).

The Township shall pay up to the level of the least expensive HMO, provided, however, the three current employees who take Care Choices will be grandfathered for the life of this Agreement (i.e., they will not have to pay the difference in premiums between Care Choices and M-Care). A payroll deduction is hereby offered.

**PITTSFIELD TOWNSHIP  
2003 POAM Negotiations**

**Section 2.** Regular, full-time employees who are eligible for the Township's health insurance shall be entitled to participate in an Employer-sponsored opt-out program. A Section 125 Plan shall be adopted. Employees shall be required to show that a spouse has health care coverage that includes the employee before said employee will be eligible to participate in the opt-out program. A participating employee will be entitled to accrue a payment of \$100 per monthly billing period for any billing period during which said hospitalization insurance was not provided by the Township under the conditions set forth herein.

- a. Said payment shall be made as an adjustment to a regular paycheck in December each year. Only those employees employed as of the date of payment and enrolled in the opt-out plan shall be entitled to the payment in lieu of insurance.
- b. Said payment shall be for the twelve (12) calendar billing periods each year.

In the event the spouse's health care plan ceases to cover the employee, the employee may re-enroll in one of the Township's sponsored health plans, provided the employee applies within sixty (60) days from loss of such coverage and submits verification of loss of such coverage at that time. Coverage under the Township plan shall then become effective at the beginning of the next billing period, or as soon thereafter as permitted by the health provider.

**PITTSFIELD TOWNSHIP**  
**2003 POAM Negotiations**

**ARTICLE 10, SECTION 10,  
DOMESTIC VIOLENCE OFFICER  
PROPOSED CONSENSUS AGREEMENT**

An employee assigned by the Director to be a Domestic Violence Officer will be compensated at the rate of \$1.00 above his or her normal rate of pay for hours worked as a Domestic Violence Officer.

6. Proposed Draft Consensus Language Changes - Union Representation.

- a. Article 6, Section 1, Union President - The Township recognizes the rights of the Union to elect an Executive Board of not more than five (5) members, one of whom shall be the President. The President, or his/her designee, who shall be a member of the Executive Board, shall be permitted a reasonable time to investigate, present and process grievances on the premises of the Township without loss of time or pay during his/her regular working hours as set forth in Article 8, Grievances. Such time spent in handling grievances during regular working hours shall be considered working hours in computing compensation if within the regular schedule of the employee.
- b. Article 7, Section 2(a), Disciplinary Action Procedure - Revise to read as follows:
- "(a) Upon request, an employee is entitled to have his/her Union Steward present when the employee reasonably believes the possibility of disciplinary action exists. If no disciplinary action is contemplated or reasonably believed to exist, the employee shall have no right to Union representation. Upon request, an employee shall be entitled to have his/her Union Steward present at all steps of the disciplinary process.
- c. Article 8, Section 5, Step Three - Change "Union" to "Union President or his/her designee."
- d. Article 8, Section 5, Step Four - Change the second sentence to read:
- "The Union President, or his/her designee who shall be a member of the Executive Board, and/or a representative from the POAM shall meet with the Township supervisor and/or his/her designated representative and the Director of Public Safety."

CONSENSUS AGREEMENTS

1. Work Schedules (Article 9, Section 7) - Add the following to Article 9, Section 7, Work Schedule 9:

"Under normal circumstances, work schedules will be posted twenty-one (21) days prior to the effective date of the schedule. In the event it is necessary to change an employee's day off or shift, the Department will make a good faith effort to notify the employee at least 72 hours in advance. It is recognized, however, that 72 hours notice may not always be possible."

2. Vacation Scheduling [Article 9, Sections 10(e) and (f)] -

- a. Revise Article 9, Section 10(e) to read as follows:

"(e) Employees are required to give reasonable notice (at least 72 hours) to request use of a vacation day or a block of vacation days outside of the period set forth in Paragraph (f) below. Under normal circumstances, requests for such additional vacation time will be answered within five (5) days. Approval of such vacation time shall continue to be at the discretion of the Director of Public Safety."

- b. Revise Article 9, Section 10(f), to read as follows:

"(f) Bargaining unit employees will be given preference according to their seniority in selecting one (1) block of vacation days (a block of vacation days shall be two (2) consecutive vacation days up to a total of 15 consecutive vacation days) for each vacation request period. Vacation request periods shall coincide with the shift request periods."

All requests for additional vacation time shall be assigned only after all other bargaining unit employees have been given preference for a block of vacation days in each vacation request period. Vacation requests supersede shift requests, unless otherwise requested in writing at the time the vacation request is submitted.

If an employee requests more than one (1) block of vacation days in the period, he/she shall designate the order of preference."

**Proposed Consensus Agreement**  
**Article 10. Section 9 - Field Training Officer (FTO)**

Add the following to Article 10, Assignments, Transfers and Promotions as a new Section 9:

**"Section 9. Field Training Officer.** An employee assigned as a Field Training Officer (FTO) shall receive a stipend computed at the rate of one hour at their straight-time base hourly rate for each 8-hour day worked while training and/or evaluating a probationary officer. Upon completion of twenty-one (21) training/evaluation days, an FTO will be eligible for eight hours of paid leave. This leave time shall be requested in writing and its approval shall be solely at the discretion of the Director of Public Safety and/or his/her designee."

**PITTSFIELD TOWNSHIP**  
**2003 POAM Negotiations**  
**December 10, 2002**

**ARTICLE 10 - ASSIGNMENTS, TRANSFERS AND PROMOTIONS**

**Sections 1-3.** No Change.

**Section 4. Promotions.** Members of the Pittsfield Township Police Department are eligible to qualify for promotion to the rank of Sergeant under the following conditions.

- a. Employees must have at least three (3) years of service with the Pittsfield Township Police Department as of the last day of the posting period.
- b. Interested employees must submit a letter of interest/resume within the posting period and complete a department questionnaire.
- c. Applicants shall be required to test for the position according to the process determined by the Director of Public Safety after consultation with the Union. Unless otherwise agreed, the parties agree to utilize the process set forth in the attached Letter for Sergeant Promotions made through December 31, 2005.
- d. Upon completion of the promotional process, candidates will be ranked in order of the highest aggregate score, if applicable. Promotions will be made in the order of the ranking. In the case of a tie, the most senior will be promoted.
- e. The eligibility roster shall be good for one (1) year from the date the roster is posted.

### LETTER OF UNDERSTANDING

From the date of this letter until December 31, 2005, the following promotional provisions shall apply to promotions to the rank of Sergeant.

1. Promotion to Sergeant will be based on the following factors:
  - a. Oral Exam - 40%.
  - b. Evaluation by Command Officers - 10%.
  - c. Interview(s) with Director - 50%.
2. The oral exam shall consist of a panel of outside interviews at least two of whom shall be from outside Washtenaw County. All interviewers shall be Police Command Officers.
3. A committee of at least three (3) Pittsfield Township Command Officers shall evaluate the job performance of the candidates.
4. The composite scores from the oral exam and the Command Officer job evaluation shall be scaled and not opened until after the Director has completed his/her scoring.

PITTSFIELD TOWNSHIP  
2003 POAM Negotiations  
December 19, 2002

TEMPORARY ASSIGNMENTS  
(Section 7 and 8 of Article 10)

PROPOSED CONSENSUS AGREEMENTS

1. Section 7. Temporary Assignment - No change, adding the following:

"While temporary assignments shall continue to be made at the discretion of the Director of Public Safety, before such assignments are made to the positions outlined below, the Director will post a notice indicating the assignment to be filled. Interested employees may submit a letter of interest to the Director. The Director or his designee will interview interested applicants."

2. Section 8. Temporary Acting Sergeant:

- (a) Revise as follows:

"(a) The promotion to the rank of temporary Acting Sergeant shall be limited to a period of two (2) years unless otherwise mutually agreed to between the Township and the Union. Effective the beginning of the pay period on or after the date of ratification, temporary Acting Sergeants shall be compensated at a rate of \$1.25 per hour over the top Patrol Officer's pay (i.e., Step 5), but shall remain in the bargaining unit. The Director of Public Safety shall have the sole authority in appointing a member of the bargaining unit to the position of temporary sergeant. Temporary Acting Sergeants shall not have the authority to recommend discipline."

- (b) No change.

- (c) No change, adding: "Effective the beginning of the pay period on or after the date of ratification, the \$.75 shall be changed to One Dollar (\$1.00).

- (d) No change, adding: "Effective the beginning of the pay period on or after the date of ratification, the following language shall replace the current provision:

"(d) Officers assigned to the Detective Bureau for a minimum of thirty (30) consecutive days shall be compensated at the rate of \$1.25 over the top Patrol Officer's pay (i.e., Step 5) for hours worked in the Detective Bureau starting the pay period on or after the 30th consecutive day."

- (e) FTO - See attached.

3. Section 8 - No change, adding: "Effective the beginning of the pay period on or after ratification, the \$.85 shall be increased to One Dollar (\$1.00).

4. Add the following Letter:

"In the event a special assignment is created, the Director, or his/her designee, shall meet with the Union to discuss the scope of the assignment and whether additional compensation, if any, is to be paid."

**Consensus Agreement**  
**Funeral Time****Section 14. Funeral Leave.**

Add two new sentences and revise the last sentence in Section 14 to include use of vacation and personal time as follows:

"Supporting documentation may be required. In addition, in accordance with the above, an employee will be granted one (1) leave day with pay to attend the funeral of an employee's great grandparent, aunt, uncle, niece, nephew, or the grandparents/great grandparents of the current spouse.

Additional leave chargeable to the employee's sick leave, vacation or personal may be granted due to the death of a current spouse or children when approved by the Director of Public Safety."

**Proposed Consensus Agreement**  
**Comp Time**

Revise Paragraph 5 of the Comp Time Letter to read as follows:

"Understanding that the responsibility to work on scheduled workdays is that of the individual officer, an officer who has requested comp time has the responsibility of calling-in within two (2) hours prior to the start of the shift to make certain that his/her absence will not result in overtime. Once the officer calls-in, and if comp time is still available, the officer will then be relieved of the responsibility of working the scheduled workday regardless of whether overtime is subsequently required.

Alternatively, comp time can be approved 24 hours prior to the start of the employee's shift time (and the requirement of calling-in within two hours of the start of the shift and having to report if it would otherwise result in overtime will be waived), provided if overtime is subsequently incurred by the Department, the employee using comp time will be charged with four (4) hours of vacation, sick or personal time. The employee will designate which fund to be charged.

DEC. 2. 2004 3:34PM

KELLER THOMA

NO. 232

1. 23/ 23

James R. Walter  
Township Supervisor

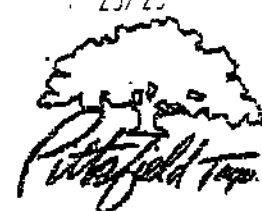
Verna Phillips-Lowe  
Deputy Supervisor

## Pittsfield Charter Township

6201 W. Michigan Ave. • Ann Arbor, Michigan 48108

Telephone: (734) 822-3136 • Fax: (734) 944-6103

*Office Of The Supervisor*



### LETTER OF UNDERSTANDING

*Guffen*  
Dear Mr. ~~Signature~~:

Re: Pittsfield Retiree Health

The following shall clarify the Township policy regarding retiree health.

An eligible employee who retires prior to age 65 and his/her then current spouse, will be continued in the HMO or Community Blue PPO he/she is enrolled in at the time of retirement under the terms and conditions that apply for active employees at the time of retirement.

When the retiree becomes age 65, the retiree must apply for Medicare Coverage (Parts A and B) and pay the applicable premium. The retiree will then be enrolled in a supplemental plan currently referred to as Blue Traditional Supplemental Coverage (Blue Cross Option 2 and Blue Shield Option 1). The Employer will pay the premium to provide said supplemental coverage for the employee and his/her spouse at the time of retirement.

The prescription drug benefit level for a retiree shall not exceed the prescription drug benefit level for active employees.

Sincerely,

*James R. Walter*  
James R. Walter  
Township Supervisor

P10

RECEIVED MAR 1 9 2005