

TPOAM UPDATE DECEMBER 2005

Thanks for reading the last update and giving us on your comments. A couple of you asked us what VEBA is, here's a brief answer.

VEBA stands for Voluntary Employee Beneficiary Association, which is an IRS designation for the kind of fund that it is. Here at the City of Southfield, **it is used to pre-fund our retiree health benefits.** It's found in the City Code under Title I, Administration, Chapter 14: Retiree Health Care Benefits Plan and Trust. Its purpose is specific and there is a VEBA Board that oversees its operations.

As health care costs go up, the costs of covering City retirees goes up, too. So, this is why it becomes of interest to us as part of our benefits package. Take a look at the bottom right corner of your bi-weekly pay receipt in the section called Benefits---you'll see how much the City contributes to the VEBA now.

Human Resources will have the most complete and reliable answers for further questions you may have about VEBA. Don't hesitate to ask Lauri Siskind when you need to understand more. Also, check the TPOAM website for the text of the VEBA Ordinance (type: tpoam).

TPOAM Executive Board