ARTICLE 15 RETIREE HEALTH BENEFITS

Section 1. Fire Fighters Hired Prior to January 1, 2009.

During the term of this Agreement, the City will comply with Chapter 175 of the Local Government Code regarding continued health insurance coverage for eligible retired fire fighters and their eligible dependents. During the term of this Agreement, eligible retired fire fighters and their eligible dependents shall be offered the same health insurance coverage at the same subsidized cost as approved by Council for other City retirees on an annual basis.

Section <u>12</u>. Fire Fighters Hired Since January 1, 2009.

For the sole benefit of Ffire fighters hired on or after January 1, 2009, shall be entitled to retiree health benefits as follows:

The Association may establish a tax exempt IRS Compliant 501(c)(9) Voluntary Employee Beneficiary Association (VEBA). The \$1.6 million set aside <u>pursuant toin</u> the 2010 Collective Bargaining Agreement shall be deposited in the Association's VEBA within 30 days of the legal creation of the trust and evidence of appropriate governance. Mechanisms for additional member contributions will be evaluated for the next contract cycle.

Section <u>2</u>**3**. Preemption.

This Article shall preempt any contrary provisions set forth in Ch. 2, Art. V, Sec. 2-190 of the Fort Worth Code, and Chapter 175 of the Texas Local Government Code, provided however that nothing herein shall be construed or interpreted to preempt Section 2-190(c) or (d) or otherwise require the City to subsidize health care coverage for any individual who is not otherwise eligible for a subsidy.which shall otherwise remain in effect.