

TOQUERVILLE CITY
RESOLUTION RES.2018.13



**AMENDMENT TO SECTION XVII BENEFITS ARTICLE 3 EMPLOYEE
BENEFIT PACKAGE; REGARDING A STIPEND IN LIEU OF MEDICAL OR
HEALTH INSURANCE**

WHEREAS, Toquerville City adopted by resolution a Personnel Policies and Procedures Manual on December 13, 2007.

WHEREAS, The Personnel Policies and Procedures Manual is intended to be a working document to be reviewed regularly by those appointed by the Mayor and/or when the City Council sees the need of updating it to reflect City and State laws and modifications of City practices and procedures for conducting business; and

WHEREAS, It is desirable to retain quality full-time employees by providing benefits to encourage long-term employment; and

WHEREAS, The City participates in the Utah Retirement System for retirement benefits; and

WHEREAS, The City does provide a Group Supplemental Benefit that it desires to continue to provide eligible employees; and

WHEREAS, The City does not provide a full-service health benefit but desires to support employees obtain health and medical care until such time a full-service health benefit can be provided.

THEREFORE BE IT RESOLVED, THAT THE TOQUERVILLE CITY COUNCIL SHALL ADOPT THE FOLLOWING AMENDMENTS TO THE PERSONNEL POLICIES AND PROCEDURES MANUAL FOR TOQUERVILLE CITY, SECTION XVII BENEFITS ARTICLE 3 EMPLOYEE BENEFIT PACKAGE; SHOULD BE AMENDED AS FOLLOWS:

EMPLOYEE BENEFIT PACKAGE. The City will provide an employee benefit package (“Employee Benefit Package”) to all eligible employees, comprised of **three different** of benefits; “Retirement Benefit through the Utah Retirement System” (URS), **and** “Group Supplemental Benefits”, **and** “**Benefit Stipend in lieu of Medical or Health Insurance**” .

A. Retirement Benefit. The Retirement Benefit shall be a benefit as outlined by the URS, and shall be provided under the rules and regulations of the URS. The City shall make the required payments in the percentage and the term as required for each eligible employee. An eligible employee is defined as one who works 20 or more hours per week and receives any other benefit including any appointed official. Tier 2 Mayor and Council are designated part-time ineligible. The City shall ensure that employees covered under this benefit receive training, to be able to use their retirement account to its fullest extent. The City will not match any employee contributions to URS, but will allow them to take advantage of the employee contribution programs, including but not limited to 401(k), 457(b), Roth and Traditional IRA, and employee loans on personal 401(k) and 457 accounts within the Utah Retirement System. Employees who are ineligible for URS pension benefits may at their own election without City participation,



contribute and take loans from employee contribution programs as listed above for eligible employees. Any Tier 1 or Tier 2 eligible appointed or elected official may request to exempt from the URS system as allowed under Utah State Code 49-13-203(5) and current procedures specified in URS policy regarding exemptions and Tier 1 and Tier 2 public employees eligibility. The city treasurer will maintain a list designating those positions which are eligible for such exemption.

B. **Group Supplemental Benefits.** The City will also provide full-time employees with various types of Group Supplemental Benefits. This portion of the Benefit Package will be calculated annually at five percent (5%) of the budgeted wages of eligible full-time employees of the City. One hundred percent (100%) of the cost of the Group Supplemental Benefits will be paid for by the City. The Group Supplemental Benefits will be provided to all full-time employees after the expiration of their probationary period as set forth elsewhere in the Policy and Procedures Manual. The Group Supplemental Benefits may include benefits such as Vision Insurance, Dental Insurance, Life Insurance, Death or Disability Insurance and will generally be programs where 100% employee participation is needed in order to obtain more favorable prices. Group Supplemental Benefit policies will be yearly in duration and the City Council will review the Group Supplemental Benefit provided and costs of other options on a yearly basis at renewal time to assure that the City's and the City's full-time employees' needs are being met. For Group Supplemental Benefits provided by the City, the City will pay the cost for:

- (1) Each individual full-time employee (if the employee is single);
- (2) Each individual full-time employee and his/her spouse (if the employee is married without minor dependent children);
- (3) Each individual full-time employee and his/her family (if the employee has minor dependent children).

C. **Benefit Stipend: ~~Health Insurance:~~** The City may or may not directly provide medical or health insurance to its employees, **but will provide a benefit stipend in lieu of medical or health insurance.** ~~In the event the City does not directly provide such plan, the employee will expect to acquire his/her own individual health plan.~~ **The Benefit Stipend shall be a fixed, pre-taxed, the sum of Three Hundred Dollars (\$300.00) paid on a monthly basis for each full-time employee of the City after the expiration of their probationary period as set forth elsewhere in the Policy and Procedures Manual. The Benefit Stipend is provided to assist the employee to acquire individual medical or health insurance, or supplemental medical or health insurance. The employee may also use the stipend to pay for medical or health expenses or co-pays. In the event the City should provide group medical or health insurance, the Benefit Stipend will cease to be provided. The benefitted employee may determine how to use the Benefit Stipend at his or her own discretion.**

D. **Insurance Termination, Transition, and Conversion.**

- (1) **Termination.** Subject to subsection (3) below, when an employee is terminated from employment with the City, Toquerville will cease making contributions to the employee's URS



Account, Benefit Stipend, and will terminate the employee's enrollment in any Group Supplemental Benefit plan.

(2) Transition. In cases requiring longer than three (3) months of transition, arrangements may be made with the Mayor for the employee to pay the additional premiums for the Group Supplemental Benefits, as may be required. Wherever possible, insurance may be converted on termination in accordance with the terms of the individual policies. This is an individual responsibility that should be made directly between the individual employee, the insurance company, and the City.

(3) Conversion. Any employee (and eligible dependents) who were eligible for benefits but has reduced hours below the required level, or has separated from Toquerville City employment may be entitled to a continuation of insurance coverage per the mandates of The Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985 subject to current state and federal law.

ADOPTED by the City Council of Toquerville City, Utah this 9th day of August, 2018 ON THE FOLLOWING VOTE:

| | | | | | |
|----------------|------------------|---|------------------------------|----------------------------------|---------------------------------|
| Councilperson: | Keen Ellsworth | AYE <input checked="" type="checkbox"/> | NAE <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| | Ty Bringhurst | AYE <input checked="" type="checkbox"/> | NAE <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| | Paul Heideman | AYE <input checked="" type="checkbox"/> | NAE <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| | Justin Sip | AYE <input checked="" type="checkbox"/> | NAE <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |
| | Alex Chamberlain | AYE <input checked="" type="checkbox"/> | NAE <input type="checkbox"/> | ABSTAIN <input type="checkbox"/> | ABSENT <input type="checkbox"/> |

By: 
Lynn A Chamberlain, Mayor

Date: August 9th, 2018

ATTEST:


Dana McKinn, City Recorder

