CITY OF MILLWOOD

RESOLUTION # 12-12 **SEPTEMBER 11, 2012**

A RESOLUTION AMENDING THE HEALTH REIMBURSEMENT ARRANGEMENT/VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION ("HRA VEBA") PLAN; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, THE Millwood City Council adopted Resolution 09-04 on August 3, 2009, to create a voluntary employees beneficiary association (VEBA) which is a tax-exempt health and welfare trust; and

WHEREAS, THE City Council desires to change the terms of the HRA VEBA Policy established by Resolution 09-04,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Millwood, as follows:

Section 1. The HRA VEBA Policy attached hereto as Attachment "A"and incorporated herein by this reference, is approved.

Section 2. The HRA VEBA Policy contained as Attachment "A" in Resolution 09-04 is hereby rescinded.

Section 3. All other parts of Resolution 09-04 not in conflict with Attachment "A" attached hereto shall remain in effect.

Section 4. Severability. If any section, sentence, clause, or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconditionally shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 5. Repeal. All resolutions, laws, and regulations, or parts thereof in conflict with this resolution are, to the extent of said conflict, hereby repealed.

Section 6. Effect. This resolution shall be in full force and effect from and after its adoption and five (5) days after its publication or a publication of a summary of this resolution in the official newspaper of the City.

PASSED BY THE COUNCIL OF THE CITY OF MILLWOOD THIS 11th DAY OF SEPTEMBER, 2012.

DAN MORK, MAYOR

Attest:

Thomas G. Richardson, City Clerk

CITY OF MILLWOOD

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ATTACHMENT "A"

The City of Millwood ("Employer") has adopted the HRA VEBA Medical Reimbursement Plan for Public Employees in the Northwest ("Plan"). Employer shall contribute to the Plan on behalf of all non-represented employees ("Group") defined as eligible to participate in the Plan. Each eligible employee must submit a completed and signed Enrollment Form to become a Plan participant and be eligible for benefits under the Plan. Eligibility is limited to employees that, per Employer policy, work an average of more than twenty (20) hours per week on a continuing basis and are not seasonal or temporary employees.

Contributions on behalf of each eligible employee shall be based on the following selected funding sources/formulas:

✓ **Sick leave, vacation, personal, and other leave cash-outs upon separation from service or retirement.** Eligibility is limited to employees who retire or separate from service with leave cash-out rights during the term hereof. Employer contributions shall include the entire cash-out value of all unused leave days (sick, vacation, personal, PTO, etc.) accrued and available for cash-out upon retirement or separation from service per Employer policy.

✓ **Sick leave, vacation, personal, and other leave cash-out annually.** Eligibility is limited to employees with annual leave cash-out rights during the term hereof. Employer contributions shall include the entire cash-out value of leave days (sick, vacation, personal, PTO, etc.) accrued and available for annual cash-out per Employer policy.

✓ **Mandatory employee contributions** (no individual elections permitted). The Employer shall change the Group's compensation package such that eligible employees shall receive additional benefits in the form of VEBA Plan contributions equal to:

Public Works Personnel $100.00
Senior Management Personnel $100.00

which shall be calculated and contributed on a monthly basis and the employees salary shall be reduced in an equal amount. Such contributions shall be made on behalf of all Group employees defined as eligible and shall be considered and referred to as Employer contributions.

☐ ~~**Excess monthly benefit dollars.** Eligibility is limited to employees with excess monthly benefit dollars provided by Employer. Employer contributions shall include all excess monthly benefit dollars on behalf of such employees.~~

☐ ~~**Employer contribution in lieu of medical insurance.** Eligibility is limited to employees waiving medical insurance coverage and providing proof of coverage under another employer-sponsored medical insurance plan. Employer contributions shall include the amount the Employer would have otherwise paid toward the cost of the waived medical insurance coverage on behalf of such employee.~~

The term of this Employer Policy shall be from October 1, 2012 until amended or terminated.

Daniel N. Mork