

BENEFITS
Revised December 2008

SECTION: 29

A. SUMMARY OF BENEFITS

A summary of the entire benefit package is available from the human resource office and may change as providers, rules, or plans change. This Section addresses benefit eligibility and unique issues that must be established by policy in relation to select portions of the benefit package.

B. BENEFIT ELIGIBILITY

1. Temporary employees receive Worker's Compensation Coverage
2. Seasonal employees receive Worker's Compensation Coverage
3. Benefit eligibility for others is as follows:

	Full-time Regular or Appointed		Part-time Regular or Appointed	Full-time Mayor	Part-time Mayor	Council Member
	40 Hours	>=32 Hours	< 32 hours			
401K w/ City Contribution	Y	Y	N	Y	Y	Y
401K wo/City Contribution	N	N	Y	N	N	N
AD&D	Y	Y	N	Y	Y	Y
Annual Leave	Y	P	P	N	N	N
Dental	Y	Y	N	Y	Y	N
Educational Assistance	Y	Y	PY**	Y	P	N
Employee Assistance Prog.	Y	Y	N	Y	Y	N
Flexible Spending Account	Y	Y	Y**	Y	Y	N
Funeral Leave	Y	P	P	N	N	N
Holiday Pay	Y	P	P	N	N	N
IRA/Roth IRA	Y	Y	Y**	Y	Y	Y
Jury & Witness Leave	Y	Y	P	N	N	N
Life Insurance	Y	Y	N	Y	Y	P^
Long-term Disability	Y	Y	N	Y	Y**	YISM
Medical – Health Insurance	Y	Y	N	Y	Y	N
Military Leave	Y	Y	P	N	N	N
Pension - State Retirement	Y	Y	Y** & Y***	Y & Y***	Y & Y***	YISM
Wellness/Recreation Pass	Y	Y	N	Y	Y	Y
Short-term Disability	Y	Y	N	N	N	N
Sick Leave	Y	P	P	N	N	N
Vision	Y	Y	N	Y	Y	N
Voluntary Benefits	Y	Y	Y	Y	Y	N
Worker's Compensation	Y	Y	Y	Y	Y	Y

Y = Yes P = Prorated N = No

YISM = Yes if salary meets eligibility criteria as specified by the Utah Retirement System

Y** = Must work at least 20+ hours per week. If less than 20 hours per week, employee is not eligible

Y***= May be entitled to opting out of participation in the Utah Retirement System

P^ = Life insurance amounts for city council members may be lower than for regular employees

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C. FLEXIBLE SPENDING ACCOUNT

1. Tooele City provides a Flexible Spending Plan pursuant to Section 125 of the Internal Revenue Code for the exclusive benefit of its eligible employees. The plan includes dependent care reimbursement, medical reimbursement, and premium conversion components. Eligible employees may obtain tax-advantaged opportunities by paying for eligible expenses with pre-tax dollars.
2. **Premium Conversion.** Eligible employees are automatically enrolled in the premium conversion component of the Flexible Spending Account. If employees desire not to participate in this component, they may do so by signing a declination form available from the human resource office.
3. **Dependent Care and Medical Reimbursement.** Eligible employees may participate in the Flexible Spending Dependent Care or Medical Plan by completing an enrollment form each Plan Year. "Plan Year" means from January 1 through December 31 of each calendar year. Once enrolled, an employee may not make a change during the Plan Year unless the employee has a life event. The maximum allowed contribution for medical reimbursement is \$2,500 per Plan Year. The maximum contribution allowed for Dependent Care will be the maximum allotment under Section 125 of the IRS tax rules.
4. **Plan Administration.** Tooele City utilizes a third-party benefits administrator. In cooperation with Tooele City human resource department, the third-party administrator will make available rules, guidelines, and information pertaining to the Plan. This information can be obtained from the human resource department and may change as plan guidelines change, tax laws, and/or administration guidelines change.
5. **Use it or Lose It.** If an employee deposits before tax dollars to a reimbursement account and does not use all of the dollars deposited, the employee will lose any of the remaining balance in the account at the end of the Plan Year.

D. HEALTH, DENTAL, VISION, AND LIFE INSURANCE

1. **Premiums.** The City pays the health, dental, vision, and life insurance premiums for eligible employees and part of the premiums for their dependents when the employee desires to have his/her dependents covered.
2. **Plan Administration.** Tooele City utilizes a third-party benefits administrator. In cooperation with Tooele City human resource department, the third-party administrator will make available summary plan descriptions and employee information pertaining to health, dental, and life insurance plans. This information can be obtained from the human resource department and may change from policy

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year to year as plan guidelines change, providers change, and/or administration guidelines change.

3. Benefit Continuation/COBRA Continuation Coverage. If a qualifying event occurs that causes an employee, spouse, or dependent children to lose coverage under Tooele City's group health or dental plan, they have a legal right under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) to purchase a temporary extension of health coverage (herein called continuation coverage). This notice is intended to inform employees, in a summary fashion, of their rights and obligations under COBRA. Employees are encouraged to share this notice with their spouse.
 - a. Health and/or dental insurance may be continued through COBRA.
 - b. Employees and dependents covered by Tooele City's group health care plan can elect continuation coverage if one of the following qualifying events occurs:
 - (1) Voluntary or involuntary termination of employment for reasons other than gross misconduct; or
 - (2) Voluntary or involuntary reduction of work hours below the level required for participation in the group health and/or plan.
 - c. The spouse of an employee or other individual covered by Tooele City's group health care plan can elect continuing coverage if one of the following qualifying events occurs:
 - (1) The death of the employee or other covered individual;
 - (2) A termination of the employee's employment for reasons other than gross misconduct, or a reduction in the employee's hours of work below the level required for participation in the group health plan;
 - (3) A divorce or legal separation from the employee; or
 - (4) A retired employee's enrollment in Medicare.
 - d. The dependent child of an employee or other individual covered by Tooele City's group health care plan can elect continuing coverage if one of the following qualifying events occurs:

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- (1) The death of the parent employee or other covered individual;
 - (2) The termination of employment or reduction of work hours of the parent employee;
 - (3) The divorce or legal separation of the parents, if this causes the dependent child to lose coverage under Tooele City's group health plan;
 - (4) The enrollment in Medicare of the retired parent or employee; or
 - (5) The child's loss of dependent status due to attainment of the maximum age for coverage under the group health plan.
- e. The employee or other covered individual has the responsibility to inform the Tooele City human resource department of a divorce, legal separation, or a child's loss of dependent status within 60 days of the qualifying event or the date on which group coverage would be lost because of the event. If an employee fails to provide the proper notice within 60 days, continuation coverage might not be available.
- f. When a qualifying event occurs, Tooele City will send a written reminder of the right to elect continuation coverage at that time. There is a 60 days gracing period to elect continuation coverage. If it is decided not to continue coverage, either through formal declination or lack of written response, group health insurance coverage will end effective the date of the qualifying event. If coverage is continued, the coverage will be identical to the coverage provided to similarly situated active employees and family members. If an employee had family coverage at the time of the qualifying event, he/she can elect family coverage or a less broad category of coverage.
- g. Continuation coverage is available for up to 18 months if the qualifying event is the termination or reduction in work hours of the employee. If an employee or family member is disabled under the rules for Social Security Disability Benefits, the worker and family members are eligible for an additional 11 months of continuation coverage, for a total of 29 months. For other qualifying events, the spouse or dependent children are eligible for up to 36 months of continuation coverage. Furthermore, the 18-month period for termination or reduced work hours can be extended to 36 months for family members if a second qualifying event-for example, divorce, death, Medicare entitlement-occurs during the 18-month period.
- h. Continuation coverage can be cut short of the full coverage period for any of the following reasons:

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- (1) Tooele City no longer provides group health coverage to employees.
- (2) The premium for continuation coverage is not paid in a timely fashion.
- (3) The covered individual becomes covered or is eligible for coverage under another group health plan that does not penalize or subject the insured to restricted or limited coverage due to a preexisting medical condition.
- (4) The insured becomes entitled to Medicare.
- (5) The disabled individual is no longer defined as disabled under Social Security rules during the 11 months of extended continuation coverage.
 - i. There is no required evidence of insurability. However, the insured is responsible for premium payment for the coverage and is allowed a 30-day grace period for timely payments. The premium will include the portion an employee now pays, plus the amount the City contributes, plus a two percent administrative fee. At the end of the 18, 29, or 36 months of continuation coverage, the insured may be allowed to enroll in an individual conversion health plan provided under Tooele City's group health plan.
 - j. Questions regarding rights under COBRA should be directed to the human resource department.

E. 401K PLAN

1. Pursuant to Section 401(K) of the Internal Revenue Code, the City has adopted a 401(K) plan and trust for the benefit of eligible employees. The purpose of the plan is to provide a mechanism for employees to save for retirement income for eligible employees through a defined contribution plan and trust.
2. Plan Administration. A Board of Trustees and an Administrative Committee administer the 401K Plan. The Summary Plan Description specifies the technical and administrative aspects of the 401K Plan. This information can be obtained from the human resource department and may change as plan guidelines change, providers change, and/or administration guidelines change.
3. Eligibility. The Summary Plan Description and Plan Adoption Agreement specifies terms and conditions of eligibility.
4. Contributions. Contributions may include employee and/or employer contributions.
 - a. Employer Contributions - Tooele City's contribution to employees' 401K accounts will be as follows:

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- (1) If enrolled in Utah State Retirement Non-contributory Plan –The difference between the rate for the Utah State Retirement Non-contributory Plan and the Public Safety Non-contributory Plan, not to exceed 8%.
 - (2) If enrolled in the Utah State Retirement Contributory Plan –The difference between the rate for the Utah State Retirement Contributory Plan employee and employer combined contribution and the Public Safety Non-contributory Plan, not to exceed the calculated contribution made for employees enrolled in the Utah State Retirement Non-contributory Plan.
 - (3) If enrolled in the Public Safety Non-contributory Plan – Tooele City does not make a contribution.
- b. Employee Contributions - Eligible employees may contribute amounts according to the Plan and Adoption Agreement.
5. Summary Plan Description. A summary plan description is available from the human resource office.