



Legislation Text

File #: 19-1040, **Version:** 1

City Council Meeting Date: August 20, 2019

To: Mayor and City Council
City Administrator Ben Martig

From: Communications & Human Resources Director Michelle Mahowald

Consider Approval of Amendments to City of Northfield Employee Handbook, Section 7.02 (Health Care Savings Plan), Section 8.01 Vacation, and Section 8.03 (Sick Leave).

Action Requested:

Staff recommends the Northfield City Council approve the attached Employee Handbook policies, Section 7.02 (Health Care Savings Plan), Section 8.01 Vacation, and Section 8.03 (Sick Leave), effective September 13, 2019.

Summary Report:

The Council Employment Policy Committee discussed the transition from Nationwide's post employment health plan to Minnesota State Retirement System (MSRS) Health Care Savings Plan at their July 17, 2019 meeting. The benefit involves making, through distribution of accumulated sick leave, pre-tax contributions to an account specifically for pre-tax reimbursement of medical premiums and expenses.

Health Care Savings Plan - One of the union groups proposed the City move from Nationwide's post employment health plan to Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) as part of 2019-2020 labor negotiations. Benefits include: low investment fees and ability to designate a beneficiary beyond a spouse or child up to age 26. This new HCSP policy describes eligibility and parameters of the benefit for non-union employees.

Vacation - The only change is removal of the Post Employment Health Plan reference from the policy. The new HCSP policy, as a standalone policy, will be easier for all to use.

Sick Leave - The only change is removal of the Post Employment section from the policy. The new HCSP policy, as a standalone policy, will be easier for all to use.

Alternative Options:

None.

Financial Impacts:

No financial impact expected for changes made to the Health Care Savings Plan.

Tentative Timelines:

Staff recommends consideration of approval of City Employee Handbook, Section 7.02 (Health Care Savings Plan), Section 8.01 Vacation, and Section 8.03 (Sick Leave) to be effective September 13, 2019.