RESOLUTION 2017-4

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: March 6, 2017

RE: Resolution for Dependent Health Coverage

Issues

During budget negotiations for the 2014-2015 budget, the cost for dependent health coverage was discussed. It was decided that the City would no longer contribute toward dependent coverage for employees hired in the new fiscal year. In order to maintain equity, the policy was that no dependent coverage for ANY employee will be added during the year. However, employees who already have dependent coverage would not be affected. Employees could still elect to purchase this coverage on their own, without City participation. This was put in Resolution form at that time.

Since that time, however, staff has had problems with recruiting prospective employees, due to the lack of dependent coverage participation by the City. This was not the reason in all cases, but has been a factor in several applicants declining offers of employment with the City. In order to help us attract the best employees, we think it will be beneficial to restore some participation by the City in dependent health costs.

Recommendation

Staff recommends that the Council consider the attached Resolution regarding the City‘s financial participation for employee dependent health coverage.

Resolution 2017-4

A RESOLUTION TO MODIFY EMPLOYEE BENEFITS FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI

WHEREAS, prior to October, 2014, The City of Cameron paid a partial cost for employee dependent health coverage; and

WHEREAS, during budget negotiations for the 2014-2015 fiscal year, Council decided to modify the health insurance coverage plan to exclude the City's participation for dependent coverage in the new fiscal year; and

WHEREAS, this change applied to new employees hired after October 1, 2014, and to existing employees who did not have dependent coverage prior to October 1, 2014; and

WHEREAS, the change in dependent coverage was made to reduce overall costs; and

WHEREAS, an unintended consequence of the change is that it has made the City less competitive for hiring experienced employees from other municipalities and agencies.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council for the City of Cameron, Clinton and DeKalb Counties, Missouri, as follows:

Section 1. All new and existing employees will be eligible for City participation in dependent health coverage as applied prior to October 1, 2014.

Section 2. The City Clerk is hereby authorized to attest to the Mayor's signature.

PASSED AND APPROVED this 6th day of March, 2017.

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Mayor Jerri Ann Eddins

ATTEST:

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City Clerk/Finance Clerk