

SECTION 13 EMPLOYEE BENEFITS

A. INSURANCE:

1. The county pays a portion of the premium for medical, dental, and life insurance provided to employees and their dependents. The portion paid by the county may vary according to the group plan offered and the costs incurred to provide the specified benefits. The County Commission shall establish the county's contribution for employee insurance.
2. Employees who work 30 hours or more per week are entitled to enroll in the county's insurance program. Eligible employees may participate in the medical, dental, and life portions of the plan and may choose single, two-party, or family coverage.
3. Payroll deductions for insurance premiums shall be prorated equally and withheld bi-monthly from each paycheck.
4. If a married couple works for the county and each spouse is eligible to receive full insurance benefits, they may acquire family coverage by paying ten percent of the full family insurance premium. The couple shall designate the employee from whose pay this insurance expense will be deducted.
5. Employees taking an approved leave of absence without pay shall have continuous insurance coverage if the leave does not extend beyond one full pay period. When an employee takes such leave that extends beyond one full pay period, all insurance coverage terminates at the end of the two-week period following the last insurance payroll deduction. Coverage may continue under the Consolidated Omnibus Budget Reconciliation Act (COBRA) guidelines during such approved leave if an employee pays the entire insurance premium including the county's regular contribution during the leave, plus a two percent administration fee.
6. Eligible new hires may immediately enroll in the insurance program. Employees who are eligible for the benefits and have properly enrolled in the insurance program shall be covered during the first payroll period following 14 days after enrollment. Insurance premiums shall be prepaid and withheld during a full payroll period prior to coverage. All insurance coverage terminates at the end of the pay period following the last insurance payroll deduction.
7. Eligible employees who do not enroll in the insurance program at the time of hire must wait for an open enrollment period or may enroll under a special enrollment requirement and shall provide to the county a certificate of cancellation from their prior insurance carrier for them or their dependents who wish to enroll. Applications for special enrollment must be reviewed and approved by the insurance carrier. Employees should contact the Human Resource Department for details when a special enrollment may be required. Changes to the employee's coverage election can be made during open enrollment or when a life status change occurs.

8. It is the employee's responsibility to notify the Human Resource Department when a dependent is no longer eligible for coverage. The county will not refund premium payments made for ineligible dependents.
9. Retirees from county employment who (1) retire prior to July 1, 2013, (2) have at least ten years of service with the county, and (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, may, until the retiree is of Medicare eligible age, continue their enrollment in the county insurance program subject to the following:
 - a. The county has issued premium credits to employees at one credit for every five years of full-time employment with the county. Partial credits are not issued for blocks of service less than five years. For example, 17 years of service would equal three premium credits.
 - b. Employees who retired prior to January 1, 2010 received premium credits to continue enrollment in the insurance program for the retirees and their dependents. Employees retiring after January 1, 2010, but prior to July 1, 2013, receive premium credits to continue enrollment in the insurance program for the retiree only.
 - c. Retirees, who have exhausted their years of service premium credit, and their dependents may continue enrollment under the group policy until they are of Medicare eligible age by paying 50% of the full cost of all coverages that are continued.
 - d. Retirees and their dependents, upon reaching Medicare eligible age, who have previously been covered under the group policy are eligible to participate in the county's Medicare Supplement Coverage. Retirees who have used all of their premium credits, and eligible dependents, may continue enrollment by paying 50% of the total premium for the Medicare Supplement Coverage.
 - e. Dependents of retirees shall be entitled to the same insurance coverage, shall pay 50% of the same premiums, and shall be covered on the same basis as a retiree of their age. Dependents of eligible retirees may continue enrollment in the county's medical and dental insurance programs on the same basis as the retiree even though the retiree reaches Medicare eligible age.
 - f. Only insurance coverages that were in effect for at least one full year prior to the time of retirement may be continued. Any coverages that are dropped after retirement may not thereafter be reinstated.
 - g. Any payments required by retirees to continue enrollment in the county's medical, dental, life, or Medicare Supplement Coverage shall be paid in advance to Tooele County.
 - h. Retirees have the option to discontinue enrollment in the medical insurance program and accept a premium waiver of \$2,500.00 per premium credit, prorated on a monthly basis for partially used premium credits. The premium waiver will be paid to retiree on January 30, 2014. Retiree may elect to receive a combination of premium credits and

premium waivers. The election to receive premium credits, premium waivers, or a combination of the two shall be made by May 30, 2013. Retiree must complete the necessary tax documents with the county by June 30, 2013 to be paid the premium waiver.

- i. Employees who desire to retire prior to July 1, 2013 must sign an irrevocable Intent to Retire Form by May 30, 2013, and retire by July 1, 2013 with the last day of work being on or before June 29, 2013.
10. Retirees from county employment after July 1, 2013 are not eligible to continue their enrollment in the county insurance program, except as provided below in Paragraph 13 of this Section.
 11. As of July 1, 2013, employees will no longer accrue premium credits.
 12. Retirees from county employment who (1) retire after July 1, 2013, (2) had at least ten years of service with the county as of July 1, 2013, (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, and (4) had accrued premium credits as of July 1, 2013 will receive a premium waiver of \$2,500.00 per credit. Two credits will be awarded for the first ten years of full-time employment with the county prior to July 1, 2013. For every full year of employment in excess of ten years up to July 1, 2013, retiree will receive 0.2 premium credit. Retiree will be paid the premium waiver upon retirement and only if retiree completes the necessary tax documents with the county.
 13. Retirees from county employment who (1) retire after August 31, 2015, (2) have at least fifteen years of service with the county, and (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, may continue their enrollment in the county insurance program for up to a maximum of five consecutive years or until the retiree is of Medicare eligible age, subject to the following:
 - a. Retiree must forfeit the Insurance Service Premium Credits earned, if any.
 - b. Retiree may continue enrollment under the group policy until he/she is of Medicare eligible age. Retiree will be given a credit against the insurance premium at a rate of one credit for every five years of full-time employment with the county. Partial credits are not issued for blocks of service less than five years. If retiree has no premium credits, he/she shall pay for coverage at full cost.
 - c. Retiree's dependents may continue enrollment under the group policy at full cost until they are of Medicare eligible age or until the retiree is no longer eligible for the coverage.
 - d. Only insurance coverages that were in effect for at least one full year prior to the date of retirement may be continued. Any coverages that are dropped after retirement may not thereafter be reinstated.

- e. Payments must be made quarterly for dependent coverage. Any payments required by retiree to continue enrollment in the county's medical, dental, and supplemental life shall be paid in advance to Tooele County.
 - f. Only basic coverage will be provided. Any upgraded coverage shall be paid in full by retiree.
 - g. This policy may be terminated due to lack of funding. If policy is terminated, retiree will receive any unused premium credits previously forfeited.
14. In keeping with the provisions of COBRA and any amendments to that Act, Tooele County provides for the continuation of health and dental insurance benefits to employees and dependents who become qualifying beneficiaries under the terms of COBRA. Qualifying beneficiaries desiring to continue insurance coverage as members of the county group must pay the entire cost of the insurance plus the administration fee as designated by the Act or its amendments. The duration of coverage shall be determined by the continuation provisions under the Act or its amendments, and the qualifying beneficiary's timely payment of the premium.
15. The spouse and children of a deceased county employee or retiree who are enrolled in the county medical or dental insurance programs may continue their insurance enrollment in these programs provided that the entire cost, plus a two percent administration fee, is paid by the spouse and children. The duration of coverage shall be determined by the continuation provisions under the COBRA Act and its amendments. Once their COBRA coverage expires, the spouse and children will not be eligible for coverage under the county-sponsored plan but will be offered a conversion policy. Dependents of a deceased county employee or retiree are not entitled to participate in the county's life insurance program.
- B. SECTION 125 CAFETERIA PLAN:** Employees who wish to participate in the insurance or other benefit programs shall be required as a condition of eligibility, to also participate in the county's Section 125 Cafeteria Plan, insofar as it relates to the employees' payroll deductions necessary to obtain the insurance or other benefits.
- C. SOCIAL SECURITY:** In order to extend to employees of Tooele County and to the dependents and survivors of such employees the basic protection accorded to others by the old-age and survivors insurance system embodied in the Social Security Act, Tooele County participates in that Act pursuant to Utah Code Title 67, Chapter 11, and as directed by the Utah State Social Security Agency. Employees are required to contribute with respect to their wages an amount not exceeding the amount of tax which would be imposed by the Federal Insurance Contributions Act (FICA). Tooele County shall deduct such contribution from each employee's wages when paid. Tooele County shall contribute a matching amount into the contribution fund and pay such contributions to the Internal Revenue Service in accordance with FICA provisions in the Internal Revenue Code.
- D. RETIREMENT:** Employees who work 20 or more hours per week and receive benefits shall participate in the Utah Public Employees' Retirement Systems.

1. The Utah State Retirement program laws and regulations determine which retirement plan an employee is enrolled in. In summary, the plans are:
 - a. Tier 1 (*for employees enrolled in the Utah State Retirement System prior to July 1, 2011*):
 - (1) Public Employees' Contributory Retirement Plan, (2) Public Employees' Non-Contributory Retirement Plan, and (3) Public Safety Employees' Non-Contributory Retirement Plan.
 - (1) Tier 1 plans include a benefits protection contract between the Utah State Retirement Office and Tooele County that provides for continued service accrual in the event of a period of leave that is covered by group long-term disability insurance, when approved for applicable benefit coverage.
 - (2) Exemption from participation. Elected officials, appointed employees, or others allowed to exempt out of participation in the Tier 1 Utah State Retirement System may file a formal request for exemption from membership in the retirement plan. In such cases, Tooele County will contribute to the employee's 401(k) plan, an amount equivalent to the Utah Retirement System's Total Cost Rate (URS normal cost + URS amortization of unfunded actuarial accrued liability - UAAL) for the respective plan applicable to the employee had he/she not exempted from participation. This amount is subject to change each year and is based on the rates established by the Utah Retirement System. This contribution must be included with any other Employer's 401(k) contributions in meeting the Internal Revenue Service (IRS) contribution limitations and therefore, may be limited if IRS limitations apply.
 - (3) Employees who exempt from participation in Tier 1 plans are not covered by benefit protection with the Utah State Retirement System.
 - b. Tier 2 (*for employees first entering the Utah State Retirement System after July 1, 2011*):
 - (1) Public Employees' Defined Contribution Plan Only, (2) Public Employees' Hybrid Retirement Plan, (3) Public Safety Employees' Defined Contribution Plan Only, and (4) Public Safety Employees' Hybrid Retirement Plan.
 - (1) Tier 2 plans do not include a benefits protection contract between the Utah State Retirement Office and Tooele County that provides for continued service accrual in the event of a period of leave that is covered by long-term disability.
 - c. Post-retired Rehired Employees: Post retired employees have the responsibility to contact the URS office, know and monitor their post-retirement limitations, and to take action to ensure that retirement benefits are not jeopardized.
 - (1) Benefit eligible post-retired employees rehired by Tooele County prior to June 30, 2010 will receive a contribution to his/her 401(k) account up to the maximum allowed by the URS office.

- (2) Benefit eligible post-retired employees rehired by Tooele County on or after July 1, 2010 will **not** receive a contribution to his/her 401(k) account and will be subject to the rules and regulations of the Utah Retirement Systems Office regarding post-retirement re-employment. Tooele County will contribute the Amortization of Unfunded Actuarial Accrued Liability rate as determined by the Utah Retirement System on all post-retired employees whether full-time, part-time, or seasonal status.
2. Due to the complexity of the plans, employees should refer to the highlights handbooks prepared by the Utah State Retirement Systems Office regarding questions concerning the plans, which is available on-line at www.urs.org. Employees can also contact the Utah State Retirement Systems Office at 540 East 200 South, Salt Lake City, Utah 84102 or access their website at www.urs.org. Their telephone number is available from the Human Resource Department.
3. In all circumstances, Utah State Retirement Systems benefit programs will be in compliance with established laws and regulations of the Utah State Retirement Office.
4. Tooele County has elected to participate in the Utah Public Employees' Retirement System's Early Retirement Program. All eligible employees may participate in that program with no purchase participation from Tooele County.
5. Utah Code Ann. 49-12-102 and 49-13-102 defines a "regular full-time employee" in part as "an employee . . . whose employment normally requires an average of 20 hours or more per week, except as modified by the board, and who receives benefits normally provided by the participating employer." Based upon this definition, the following elected officials are declared regular full-time employees:
 - a. County Commissioners;
 - b. County Assessor;
 - c. County Attorney;
 - d. County Auditor;
 - e. County Clerk;
 - f. County Recorder;
 - g. County Sheriff;
 - h. County Treasurer;
 - i. County Surveyor; and
 - j. County Justice Court Judge(s).

E. GIFTS AND AWARDS: County funds shall not be appropriated for the purpose of providing gifts or awards to any employee except as otherwise provided herein. Any employee who has accrued five years of full-time service may receive a departmental award or pin and may receive a similar award for every consecutive five years of service thereafter. Employees who retire with at least ten years of full-time service may be awarded a plaque or a similar item by the county in recognition of the service provided to the county. Certificates or plaques may be awarded by the County Commission to anyone for exceptional services provided to the county. This section does not prohibit the granting of bonuses or other awards to county employees by the Commission when deemed appropriate.

F. 401(K), 457, ROTH IRA, AND TRADITIONAL IRA PLANS:

1. Pursuant to the Internal Revenue Code, the county has adopted 401(k), 457, Roth IRA, and Traditional IRA plans for the benefit of eligible employees. The purpose of the plan(s) is to provide a supplemental retirement income for eligible employees through a plan administered by Utah Retirement Systems.
2. All employees are eligible to participate in the supplemental plans offered through Utah Retirement Systems.
3. Tooele County may contribute to the 401(k) plan an amount determined by the County Commission. The rate is determined by budget approval. If the county elects to contribute to the 457 plan on the employee's behalf, a FICA match is required. The amount shall be allocated to eligible participants' accounts according to the employee's elections. Eligible employees may contribute amounts according to the plan.
4. Questions concerning the plans should be referred to Utah Retirement Systems.

G. CHANGES IN SUPPLEMENTAL PROGRAMS: Employees who participate in any supplemental program are enrolled for the entire calendar year and cannot cancel or change their election until the next open enrollment period unless a life status change occurs. Upon termination, it is the responsibility of the employee to cancel all supplemental programs.