ORDINANCE NO. <u>1691</u>

AN ORDINANCE AMENDING ORDINANCE NO. 1510 AND REPEALING ORDINANCE NO. 1600 KNOWN AS THE PERSONNEL RULES, POLICIES AND PROCEDURES ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIRHOPE ALABAMA, as follows:

<u>Section 1.</u> The ordinance known as the Personnel Rules, Policies, and Procedures Ordinance (No. 1510), adopted 14 April 2014, together with the Personnel Handbook of the City of Fairhope, be and the same hereby is changed and altered in respect to the certain sections below:

Add the following to:

VI. Employee Benefits

Section 6.01. Health Insurance Benefits

Employees hired prior to October 1, 2017 - No change to employee monthly contribution for Single and Family coverage, which is currently \$0, and will remain so for Calendar Year 2021. See proposed contract labeled "Option I" for specific deductibles, copays, and benefits covered.

Current Retirees – No change to the current retiree monthly contribution percentage for Calendar Year 2021, for Single and Family coverage. See proposed contract labeled "Option I" for specific deductibles, copays, and benefits covered.

All employees hired on or after October 1, 2017, who choose to be covered under the City's health plan, may choose from two options:

1. Choose "Option I", which is the same health plan as current employees. Employee monthly contributions for Single and Family coverage (for all employees hired on or after October 1, 2017) for the "Option I" Plan will be:

Single \$ 75.00 Family \$275.00

2. Choose "Option II", which is a High Deductible Plan. See proposed contract labeled "Option II" for specific deductibles, copays, and benefits covered. Employee monthly contributions for Single and Family coverage for the "Option II" – High Deductible Plan will increase to the following beginning January 1, 2021:

Single \$ 15.00 Family \$ 75.00

3. Employee monthly contributions for Single and Family coverage for the "Option II" – High Deductible Plan will increase to following beginning January 1, 2022:

Single \$ 25.00 Family \$150.00

The City Council has the option to review the "single" and "family" employee contributions on an annual basis.

The Balance of Section 6.01 remain as written, published, and codified.

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Add the following to:

VI. Employee Benefits

Section 6.09. Group Life Insurance

Regular full-time employees, including probationary employees, elected and full-time appointed officials, are eligible to participate in the City's group life insurance program with a benefit of \$25,000.00 basic life insurance which includes accidental death and dismemberment insurance. The City pays a portion of the premium in the amount authorized by the City Council and the employee must pay the balance of the premium by payroll deduction. The City reserves the right in its sole discretion to change the group life insurance program and the group life insurance carrier without prior notice to affected employees. Covered employees will receive notice of the change as soon as practical. Complete information on the group life insurance program, including eligibility requirements and insurance coverages, is included in the insurance booklet provided by the group life insurance carrier, and provided to each covered employee by the Human Resources Department.

Voluntary life insurance benefit of \$500,000.00 not to exceed 5 times annual base salary is a new benefit offered by the group life insurance carrier to regular full-time employees, including probationary employees, elected and full-time appointed officials and paid by the employee.

<u>Section 2.</u> The sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by a court of competent jurisdiction, then such ruling shall not affect any other paragraphs and sections, since the same would have been enacted by the municipality council without the incorporation of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 3. This ordinance shall take effect October 1, 2017 and after the date of its approval by the City Council of Fairhope and publication as required by law.

Adopted this 26th Day of October, 2020

Jack Burrell, Council President

Attest:

Lisa A. Hanks, MMC City Clerk

