ORDINANCE NO. 2018-18

AN ORDINANCE OF THE CITY OF BURNET, TEXAS, AMENDING SECTION 7.03 "RETIREMENT" OF THE CITY OF BURNET PERSONNEL POLICY; PROVIDING SEVERABILITY; PROVIDING AN EFFECTIVE DATE AND OPEN MEETINGS CLAUSES; AND PROVIDING FOR RELATED MATTERS.

Whereas, the City of Burnet has previously adopted a personnel policy manual; and

Whereas, the City of Burnet, because of changes in policies, and state or federal law from time to time, needs to make certain adjustments to said policies; and

Whereas, adjustments to said policies are necessary for the betterment of the City's employees and to ensure proper efficiency in City operations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:

Section 1. <u>Findings of Fact</u>. The findings and recitations set out hereinabove are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. <u>Repeal of Conflicting Ordinances</u>. All Ordinances or parts thereof in conflict herewith are amended to the extent of such conflict only.

Section 3. <u>Adoption of Amended Personnel Policy</u>. Section 7.03 "Retirement" of the City's Personnel Policy is hereby amended and replaced in its entirety with the language set out in Exhibit "A", attached hereto and incorporated herein for all purposes.

Section 4. <u>Severability</u>. If any provision of this ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications hereof which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

Section 5. <u>Open Meetings</u>. That it is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapt. 551, Loc. Gov't. Code.

Section 6. <u>Effective Date</u>. This ordinance shall take effect immediately upon its adoption by the City Council and publication as required by the Local Government Code.

PASSED AND APPROVED on First Reading on this 11th day of September, 2018. **FINALLY PASSED AND APPROVED** on this 25th day of September, 2018.

CITY OF BURNET, TEXAS MA Crista Goble Bromley, Mayor 111111

ATTEST:

Kelly Dix, City Secretary

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Exhibit "A"

7.03 RETIREMENT

The City of Burnet is a member of the Texas Municipal Retirement System (TMRS). Membership in the retirement system is mandatory for all regular employees. Both the employee and the City contribute to the employee's retirement account. Employees must be vested under TMRS to be eligible to receive the City's matching portion. Employees who leave City employment prior to retirement will, upon request to the TMRS, be refunded their portion of the retirement account plus interest earned on their portion in accordance with TMRS policies.

Retirement benefits are determined by a formula that involves age at the time of retirement and the amount deposited in the employee's account. An employee may retire if he/she has ten (10) years of service and has reached the age of sixty (60), or an employee may retire if (he)she has twenty (20) years or more of service regardless of age.

The City offers continuation of health and dental insurance to those regular employees who were hired prior to January 1, 2010 that retire from the City of Burnet under TMRS with at least twenty (20) years of service, the last ten (10) of which are with the City of Burnet ("Eligible Retiree"). City Employees hired prior to January 1, 2010 must have been continuously employed with the City prior to retirement, with no break in service after January 1, 2010, to be eligible for continuation of health and dental insurance benefits. City employees hired on or after January 1, 2010 are not eligible for continued health insurance after retirement under this policy. For Eligible Retirees, such continued health and dental insurance is comparable to that which is provided for regular employees.

For Eligible Retirees eligible for Medicare, the City will substitute coverage with a Medicare insurance policy. The City will reimburse Eligible Retirees on Medicare for Parts A and B, plus any additional costs for Medicare Supplement or Medigap plans, up to the amount of premium paid for an active employee. Eligible Retirees may have the option of declining City provided health and/or dental insurance and being reimbursed for health and/or dental coverage other than what the City provides up to the amount of premium paid for an active regular employee. It is strictly the Eligible Retirees responsibility to contact the City with any changes in coverage. If an Eligible Retiree chooses reimbursement, proof of coverage must be certified annually.

Eligibility for participation in the City's group insurance plan will pause if the Eligible Retiree becomes eligible for their current employer's group health and/or dental insurance plan. The Eligible Retiree is required to notify the City of medical and/or dental insurance benefits provided by their current employer's group insurance to the City's Human Resources Department in writing within thirty (30) days of eligibility for such plan. Once eligible, the Eligible Retiree must enroll in their current employer's group health and/or dental insurance plan and may not decline coverage. In the event the Eligible Retiree ceases to be eligible for another employer's group health and/or dental insurance plan, that Eligible Retiree may return to the City's plan as a qualifying event. An Eligible Retiree who is enrolled in their current employer's group health and/or dental insurance plan which requires the Eligible Retiree to pay a portion of the premium shall be eligible to receive reimbursement for such costs up to twenty-five (25%) percent of the amount of premium paid by the City of Burnet for an active regular employee.

If an Eligible Retiree fails to disclose eligibility for medical and/or dental insurance benefits provided by their current employer's group plan, the Eligible Retiree's eligibility and enrollment shall be terminated immediately and the retiree will no longer be an Eligible Retiree for the purposes of this policy.

The City of Burnet participates in a death benefit plan administered by the TMRS providing the beneficiary of a regular employee that dies while in the employ of the City with a one-time, lump-sum yearly wage as a non-taxable benefit.

This section is subject to change in accordance with TMRS requirements. Continuation of health and dental insurance to Eligible Retirees is not a guaranteed benefit and is subject to change by the City Council.