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TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: March 3, 2025

SUBJECT: Public Hearing – First Reading Ordinance 2025-267: Insurance Benefits for Part-Time Employees and Elected Officials

ACTION PROPOSED: Consider Providing Part-Time Employees and Elected Officials with Insurance Benefits

ATTACHMENTS: 1. Ordinance 2025-267

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

During the budget work sessions Town Council engaged in conversation related to the insurance benefits that are offered to employees and Elected Officials of the Town. At the time of the budget discussion, Staff provided information that it was the current policy that health benefits were only provided to full-time employees. A deviation from this current policy is possible, but more importantly if Council wanted to make a change, it would send a positive and strong message to potential employees and elected officials considering running for office that we value our employees and more importantly we emulate one of our key strategic pillars that promotes Johnstown as an employer of choice that attracts dedicated team members who are passionate about Johnstown.

Based on the Town's Employee Handbook, part-time employees are qualified as individuals who work less than 30 hours per week. For the purposes of insurance coverage, part-time employee would need to work at least 20 hours per week. The primary benefits that are currently provided to part-time employees include some limited paid time off:

- In compliance with State Law, temporary and part-time employees accrue one hour of sick leave for every thirty hours worked up to a maximum of 48 hours per year.

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- They are eligible for up to a maximum of 40 hours of vacation leave per year, accrued based on hours worked.
- They are eligible for holiday pay for any hours they are scheduled but unable to work due to the closure of Town offices.

For elected officials, the Town's Home Rule Charter (HRC) provides guidance and states the following:

Section 2.5 Johnstown Charter:

The Mayor and each Councilmember shall receive such salary and benefits as prescribed by ordinance. The salary of the Mayor or of any Councilmember shall not be increased or diminished during the term for which the Mayor or Councilmember has been elected. Subject to the Council's approval, the Mayor and Councilmembers may be reimbursed for the actual and necessary expenses incurred in the performance of the duties of office.

Interestingly, the HRC distinguishes between the terms salary and benefits and specifically calls out salary as a metric that does not increase or decrease during the selected term. This would allow a possible interpretation that benefits may be included at any time as prescribed by ordinance.

Currently, the Town offers full-time employees typical benefits that include health, dental, vision, and basic life insurance coverage. The Town offers three (3) health plans full-time employees can choose from and a single dental and vision plan for the employee. The health plans offered are the following types:

1. A standard PPO Plan
2. A PPO Select Plan focused on encouraging employees to choose preferred providers that offer lower costs (predominantly in the UC Health family of care); and
3. A High Deductible Plan that is coupled with a Health Savings Account (HSA). While the deductible is noticeably higher than a typical PPO plan, the Town provides a periodic financial stipend into the HSA to defray some of that extra expense.

The ordinance provided for your consideration would provide that part-time employees and elected officials can be provided access to benefits, but that the health benefit would only make available the most affordable or least expensive plan for the Town. Based on current costs of the various healthcare options, this would be the PPO Select Plan. Furthermore, if part-time or elected officials choose to enter into the health benefit, it is recommended that they pay double the premiums of full-time employees. The overall financial impact to the Town per individual that would elect this benefit if it is made available is approximately \$9,850 annually.

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All eligible part time employees and elected officials would be automatically covered by a nominal life insurance benefit regardless of their choice to participate in any other benefits coverage.

It is also important to note that if the Town Council does elect to provide this benefit, that it would also extend to the Library Employees as well, because they have previously chosen to be covered under the Town's plan and are bound by its plan rules.

STRATEGIC PLAN ALIGNMENT:

- Organizational Excellence & Public Trust
 - *Be an employer of choice that attracts dedicated team members, passionate about Johnstown*

LEGAL ADVICE:

The Town Attorney administered drafting Ordinance 2025-267.

FINANCIAL ADVICE:

NA

RECOMMENDED ACTION: Staff supports the approval of Ordinance 2025-267 for the value add it brings to our organization and commitment to our employees and elected officials.

SUGGESTED MOTIONS:

For Approval: I move to approve Ordinance 2025-267 as presented on first reading.

For Denial: I move to deny Ordinance 2025-267 as presented on first reading.

Reviewed and Approved for Presentation,



Town Manager