

**RESOLUTION TO  
AMEND THE EMPLOYEE HANDBOOK OF POLICIES AND PROCEDURES  
FOR EMPLOYEE INSURANCE CHANGES**

**SPONSOR: MAYOR EMILY MCFARLAND  
FROM: FINANCE COMMITTEE**

**WHEREAS**, the City adopted the current City of Watertown Employee Handbook of Policies and Procedures on July 6, 2012 with the most recent amendment occurring on February 17, 2024; and,

**WHEREAS**, the City of Watertown has contracted with a new benefit provider beginning January 1, 2025 resulting in sections relating to the employee benefit plans to be updated.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN:**

That Article V. Benefits shall be repealed and restated to read as follows:

**F. HEALTH INSURANCE**

Wisconsin Retirement System eligible part-time employees may apply for health insurance coverage. City contributions will be prorated and will apply based on the part-time tiers that reflect the number of scheduled hours expected for the position. Find more information at [www.deancare.com](http://www.deancare.com)

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to receive health insurance benefits at the expense of the City, subject to the required employee premium contribution amount, established in the annual payroll resolution and applicable collective bargaining agreements.

New employees shall be eligible for health insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, health insurance benefits will begin on the same day. Health insurance coverage terminates at the end of the month in which the employee terminates employment. Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by Employee Benefits Corporation(EBC).

Dependent Coverage Eligibility:

Employees that choose family plans must be enrolled in the plan in order to enroll additional dependents. Eligible dependents for family coverage include:

- (1) Spouse (must be legally recognized in the State of Wisconsin).
- (2) Children who include:
  - (a) Natural children.
  - (b) Stepchildren.
  - (c) Adopted children and pre-adoption placements. Coverage will be effective on the date that a court makes a final order granting adoption by the subscriber) or on the date the child is placed in the custody of the subscriber, whichever occurs first. These dates are defined by Wis. Stat. §

- 632.896. If the adoption of a child is not finalized, the insurer may terminate coverage of the child when the adoptive placement ends.
- (d) Legal wards that become the subscriber's permanent ward before age 19. Coverage will be effective on the date that a court awards permanent guardianship to either the subscriber/employee or spouse.
- (e) Grandchild if the parent is a dependent child and under the age of 18. The grandchild ceases to be a dependent at the end of the month in which the dependent child (parent) turns 18.
- Note: (i) Children, stepchildren, and legal wards may be covered until the end of the month in which they attain age 26 except for grandchildren. Their spouse and/or dependents are not eligible. Upon the child's loss of eligibility, the child may be eligible for COBRA Continuation.
- (f) Pertaining to divorce - if a court orders the subscriber/employee to insure an ex-spouse, the order does not create eligibility for the ex-spouse to remain insured under the subscriber/employee. Ex-spouse eligibility is under COBRA Continuation for 18 months after the last day of coverage

### Plan Changes:

Employees wishing to make changes to enrolled health plan coverage must provide official documentation within 30 days of the event noting the effective date that coverage change takes effect as it pertains to life changing events. All other changes will be made as part of the open enrollment period.

Married employees who both work for the City shall be eligible for coverage under said policy in the manner least expensive to the City and shall be exempt from the required employee premium contribution up to an amount equal to the least expensive plan available in any given year as long as this does not conflict with the maximum allowable City contribution.

### Coverage for Retired Employees

For any employee who elects to retire consistent with the terms of the Department of Employee Trust Funds, and participate in COBRA health care continuation for 18 months after the last date of coverage, may have the opportunity to convert their unused sick leave into a Sick Leave Conversion Account (SLCA). Such account shall only be used for the purpose of making future payments towards COBRA premiums on behalf of the retired employee. The City will establish the SLCA and calculate a beginning balance as of his/her retirement date. Payments will be administered by EBC.

### Funding:

- Sixty dollars (\$60) per day of unused sick leave
- Sixty dollars (\$60) for every twelve hours of sick leave for employees working 24-hr shifts
- Maximum balance: \$7,200

Deductions from a SLCA will be equal to one-half (50%) of the monthly health plan premium. The City will inform EBC, the COBRA plan administrator, of this amount. The deductions will continue to apply to health plan premium payments until the SLCA balance is \$0 or the retired employee is no longer a COBRA participant, whichever occurs first.

## G. DENTAL INSURANCE

Find more information at <https://www.deltadentalwi.com/>

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to receive dental insurance benefits at the expense of the City, subject to the required employee premium contribution amount, applied to the least expensive plan available, as established in the annual payroll resolution and applicable collective bargaining agreements.

New employees shall be eligible for dental insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, dental insurance benefits will begin on the same day. Dental insurance coverage terminates at the end of the month in which the employee terminates employment. Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by EBC.

Married employees who both work for the City shall be eligible for coverage under said policy in the manner least expensive to the City and shall be exempt from the required employee premium contribution up to an amount equal to the least expensive plan available in any given year.

## H. VISION INSURANCE

Find more information at <https://www.deltadentalwi.com/>

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to participate voluntarily in the vision insurance benefits at the employee's expense offered by Delta Vision (a division of Delta Dental of WI). New employees shall be eligible for vision insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, vision insurance benefits will begin on the same day. Vision insurance coverage terminates at the end of the month in which the employee terminates employment. Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by EBC.

## H. LIFE INSURANCE

Find more information at <http://etf.wi.gov/>

The City shall provide all full-time and eligible part-time employees a term life insurance policy equal to his/her Wisconsin Retirement System earnings paid during the previous calendar year rounded to the next higher one thousand dollars (\$1,000.00). The City shall also make available to the employee the option of additional term life insurance coverage to be purchased by the employee at his or her expense if such coverage is available. Life insurance policies shall be underwritten through a carrier of the City's choice.

## I. PENSION

Find more information at <http://etf.wi.gov/>

Both full-time and regular part-time employees shall be covered under the Wisconsin Retirement System in accordance with Chapter 40, Wis. Stats. The City's contributions to

the retirement system shall be determined as per the adoption of the annual payroll resolution and in accordance with applicable state statutes.

#### J. WISCONSIN DEFERRED COMPENSATION

Find more information at <https://wisconsin.gwrs.com/>

The City participates in the Wisconsin Deferred Compensation program provided by the State of Wisconsin. Employees may elect to participate by making pre-tax or post-tax contributions towards retirement investment options of their choice.

#### K. SECTION 125 PLAN

Find more information at <https://www.ebcflex.com/>

The City has established a Section 125 plan which provides for reimbursement for dependent care and health care expenses as permitted by the Internal Revenue Code. Employees may elect to reduce their wages by making contributions to the Section 125 plan to the extent permitted by law. At the end of the plan year, any unused funds are forfeited by the employee and become property of the employer. Employees will be eligible to participate in COBRA benefits with payments that will be administered by EBC.

That this Resolution shall be in full force and effect upon its passage and adoption.

	YES	NO
DAVIS		
LAMPE		
BERG		
BARTZ		
BLANKE		
SMITH		
ARNETT		
WETZEL		
MOLDENHAUER		
MAYOR STOCKS		
TOTAL		

ADOPTED April 15, 2025

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CITY CLERK

APPROVED April 15, 2025

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MAYOR