



NOTICE OF PERSONNEL COMMITTEE MEETING
Monday June 7, at 4:30 p.m. Caledonia Village
Hall - 5043 Chester Lane

THIS WILL BE AN IN-PERSON MEETING – MAX NUMBER OF ATTENDEES 16

1. Call to Order.
2. Approval of Minutes.
3. Resolution 2021-72 Approving The Retiree Healthcare Benefit Policy
4. Adjournment.

Dated June 4, 2021

Joslyn Hoeffert
Village Clerk

Only committee members are expected to attend. However, attendance by all Board members (including non-members of the committee) is permitted. If additional (non-committee) Board members attend, three or more Board members may be in attendance. Section 19.82(2), Wisconsin Statutes, states as follows:

If one-half or more of the members of a governmental body are present, the meeting is rebuttably presumed to be for the purposes of exercising the responsibilities, authority, power or duties delegated to or vested in the body.

To the extent that three or more members of the Caledonia Village Board actually attend, this meeting may be rebuttably presumed to be a “meeting” within the meaning of Wisconsin’s open meeting law. Nevertheless, only the committee’s agenda will be discussed. Only committee members will vote. Board members who attend the committee meeting do so for the purpose of gathering information and possible discussion regarding the agenda. No votes or other action will be taken by the Village Board at this meeting.

1. Call to Order

Trustee Stillman called the meeting to order at 4:17 p.m. at the Caledonia Village Hall, 5043 Chester Lane

Committee Members: Trustee Stillman and Trustee Wishau sat in for Trustee Wanggaard.

Absent: Trustee Wanggaard was excused.

Staff present: Village Administrator Tom Christensen, and Finance Director Kathy Kasper

2. Approval of Minutes

Motion by Trustee Wishau to approve the minutes as printed. Seconded by Trustee Stillman. Motion carried unanimously.

3. Resolution 2021-65 – Resolution Appointing Village Finance Director Bane Thomey

The Committee and candidate have come to agreement after negotiations.

Motion by Trustee Wishau to approve Resolution 2021-65 and Forward to the Village Board for final approval. Seconded by Trustee Stillman. Motion carried unanimously.

4. Adjournment

Motion by Trustee Wishau to adjourn. Seconded by Trustee Stillman. Motion carried unanimously.

Meeting adjourned at 4:18 p.m.

Respectfully submitted,
Joslyn Hoeffert
Village Clerk

RESOLUTION NO. 2021-72

RESOLUTION APPROVING THE RETIREE HEALTHCARE BENEFIT POLICY

WHEREAS, the Village of Caledonia determined that the methods previously used to manage retiree healthcare premium banks was not compliant with existing regulation; and

WHEREAS, the Village of Caledonia determined that the previous policy unfairly penalized certain Police and Fire employees who were or may be promoted from represented to sworn non-represented status; and

WHEREAS, the Village of Caledonia has created a Retiree Health Reimbursement Arrangement to be utilized by eligible retirees; and

WHEREAS, The Finance Committee has reviewed the attached policy and recommends approval.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the Retiree Healthcare Benefit Policy as set forth in Exhibit A which is attached hereto and incorporated herein, is authorized and approved.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this ____ day of _____, 2021.

VILLAGE OF CALEDONIA

By: _____
James R. Dobbs, Village President

Attest: _____
Joslyn Hoeffert, Deputy Village Clerk

21. RETIREE HEALTH CARE BENEFIT

This policy outlines retiree health care benefits that the Village will make available to eligible Village retirees who were not bargaining unit employees at the time of retirement. As detailed below, eligibility will be determined by: (1) full-time status at the time of retirement; (2) date of hire; (3) Medicare eligibility and (4) additionally, for police and fire sworn non-represented staff only, the date of promotion to sworn non-represented status within their respective departments.

A. General Retiree Health Coverage Benefits

1. Retiree Health Insurance Coverage

Regular full-time employees who retire from employment with the Village may be eligible for continued group health insurance coverage, with the Village paying a percentage of the premium cost until the retiree reaches the age of Medicare eligibility or otherwise does not continue the coverage. For eligible retirees, the Village will pay 50% of the premium cost.

Said retiree coverage will continue until such time as the retiree attains the age of Medicare eligibility, or becomes otherwise unable to continue such coverage as determined by the health insurance plan (e.g. total disability). This retiree benefit continuation is limited to medical coverage only. Retirees wishing to continue vision or dental coverage will need to do so through COBRA election.

To be eligible for this continued health insurance benefit, an employee must meet the following criteria:

- The employee must be enrolled in the Village's health insurance program at the time of retirement.
- The employee must meet the age and other requirements for retirement under WRS.
- The retiree must be younger than the age of Medicare eligibility.
- The retiree must have been a regular full-time employee as of the date of retirement.
- A non-police or non-fire retiree must have been hired by the Village before January 1, 2012.
- The employee's age and number of years of continuous employment with the Village, when added together, must total 85 or greater. For public safety employees (as defined by the WRS), age plus continuous service must total 75 or greater.
- To qualify for the benefit, non-represented Police Department sworn employees must: (1) meet the criteria defined in sub-section B; and (2) meet all other criteria set forth above.
- To qualify for the benefit, non-represented Fire Department sworn employees must: (1) meet the criteria defined in sub-section C; and (2) meet all other criteria set forth above.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual coverage, but may not increase from individual to family coverage.

Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

2. Health Reimbursement Account (HRA)

Additionally, upon the retirement of a retiring employee who meets all criteria to qualify for retiree health insurance, the Village will fund a Health Reimbursement Account ("HRA") for the employee with the monies remaining at the time of retirement from two sources: (1) the sick leave incentive bank of the retiree; and (2) a lump sum in the amount of 50% of the employee's total accumulated hours of sick leave as of December 31, 2011 at the employee's hourly rate of pay in existence at the time of retirement. The number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of December 31, 2011. Further, if the number of hours at time of retirement is fewer than the hours accumulated as of December 31, 2011, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying medical purposes as defined under the law and by the HRA plan. The HRA funds must be depleted before any funds from any other sources are used to pay premiums. Upon the death of the retiree, or if the retiree is no longer eligible to continue coverage under the Village's insurance plan (e.g., upon reaching the age for Medicare eligibility), the enrolled spouse will be allowed to use the HRA funds on the same terms as the retiree and will be required to elect single coverage. If the HRA is not depleted prior to the spouse reaching the full age of Medicare eligibility, or upon the death of both the spouse and retiree, the HRA will be dissolved and any remaining funds forfeited as required by law.

B. Non-Represented Police Department Retirees

Regular full-time non-represented Police Department employees hired after May 31, 2018 are ineligible for the benefits outlined in this Policy. The collective bargaining agreement in effect at the time of the retirement of a represented member will determine all retiree benefits for that member. Represented employees having questions concerning retirement benefits should consult the agreement or bargaining unit leadership.

1. Health Insurance Coverage

Police Department sworn employees that: (1) transitioned through promotion on or before December 31, 2011, from a bargaining unit position to sworn non-represented status within the Police Department; or (2) were hired by the Village on or before May 31, 2018; (3) who transition through promotion after January 1, 2012 from a bargaining unit position to sworn non-represented status within the Police Department; and (4) who meet all criteria set forth above in Section (A)(1), shall be eligible to receive retiree health insurance benefits.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual coverage, but may not increase from individual to family coverage.

Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

2. Health Reimbursement Account

Upon retirement, the Village shall fund the HRA of the eligible Police sworn non-represented retiree, as outlined in Section (A)(2) above, with (1) the sick leave incentive bank of the retiree and (2) a lump sum in the amount of 50% of the total hours of sick leave accumulated as of the date of employee's promotion to sworn non-represented status within the Police Department, at the hourly rate of pay in existence at the time of employee's retirement.

- a. For eligible employees promoted to sworn non-represented status on or before December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the employees balance as of December 31, 2011.
- b. For eligible employees promoted after December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of the date of promotion to sworn non-represented status within the Police Department.
- c. Further, if the number of hours at time of retirement is fewer than the hours accumulated as of the date of promotion to sworn non-represented status within the Police Department, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying medical purposes as defined under the law and by the HRA plan. The HRA funds must be depleted before any funds from any other sources are used to pay premiums. Upon the death of the retiree, or if the retiree is no longer eligible to continue coverage under the Village's insurance plan (e.g., upon reaching the age for Medicare eligibility), the enrolled spouse will be allowed to use the HRA funds on the same terms as the retiree. If the HRA is not depleted prior to the spouse reaching the full age of Medicare eligibility, or upon the death of both the spouse and retiree, the HRA will be dissolved and any remaining funds forfeited as required by law.

C. Non-Represented Fire Department Retirees

Regular full-time non-represented Fire Department employees hired after May 31, 2019, are ineligible for the benefits outlined in this Policy. The collective bargaining agreement in effect at the time of the retirement of a represented member will determine all retiree benefits for that member. Members having questions concerning retirement benefits should consult the agreement or unit leadership.

1. Health Insurance

Regular full-time non-represented fire service employees who: (1)) transitioned through promotion on or before December 31, 2011, from a bargaining unit position to sworn non-

represented status within the Fire Department; or (2) were hired by the on or before May 31, 2019; (2) who transition after January 1, 2012 from a bargaining unit position to a sworn non-represented status within the Fire Department; and, (4) meet all criteria set forth above in Section (A)(1) above, shall be eligible to receive retiree health insurance benefits.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual coverage, but may not increase from individual to family coverage.

Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

2. Health Reimbursement Account

Upon retirement, the Village shall fund the HRA of the eligible Fire sworn non-represented retiree, as outlined in Section (A)(2) above, with (1) the full sick leave incentive bank of the retiree and (2) a lump sum in the amount of 50% of the total hours of sick leave accumulated as of the date of employee's promotion to sworn non-represented status within the Fire Department, at the hourly rate of pay in existence at the time of employee's retirement.

- a. For eligible employees promoted to sworn non-represented status on or before December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the employees balance as of December 31, 2011.
- b. For eligible employees promoted after December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of the date of promotion to sworn non-represented status within the Fire Department.
- c. Further, if the number of hours at time of retirement is fewer than the hours accumulated as of the date of promotion to sworn non-represented status within the Fire Department, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying medical purposes as defined under the law and by the HRA plan. The HRA funds must be depleted before any funds from any other sources are used to pay premiums. Upon the death of the retiree, or if the retiree is no longer eligible to continue coverage under the Village's insurance plan (e.g., upon reaching the age for Medicare eligibility), the enrolled spouse will be allowed to use the HRA funds on the same terms as the retiree. If the HRA is not depleted prior to the spouse reaching the full age of Medicare eligibility, or upon the death of both the spouse and retiree, the HRA will be dissolved and any remaining funds forfeited as required by law.