

RESOLUTION No. 2010-07-01

AUTHORIZING THE MAYOR TO EXECUTE ANY AND ALL DOCUMENTS ASSOCIATED WITH SHORT-TERM AND LONG-TERM DISABILITY INSURANCE PLANS, EAP PLAN CONVERSION AND AUTHORIZATION OF THE EXPENDITURE FOR PAYMENT OF SAID INSURANCE AND PLANS FOR THE CITY OF FORT MORGAN

WHEREAS, the City of Fort Morgan currently has an unfunded Sick Bank and Sick Leave Benefit that provides a short-term disability for employees and the unfunded balance in the sick bank is approximately Thirty-Three (33,000) Hours; and,

WHEREAS, the City of Fort Morgan has the opportunity to shift the risk of the unfunded liability in the sick bank to a private insurance carrier for little or no cost to the taxpayers; and,

WHEREAS, the City can also shift liability and provide long-term disability coverage not yet vested in PERA or who do not have a long-term disability retirement fund; and,

WHEREAS, if the City changes its insurance carrier and EAP Provider, the savings will nearly cancel the costs for shifting the risks in the short-term disability program; and,

WHEREAS, Staff has reviewed the options available with the healthcare broker at HUB and recommends that the City Council authorize the expenditure for the change to purchase short-term disability and to consider long-term disability coverage for its employees; and,

WHEREAS, the *Charter of the City of Fort Morgan* requires any expenditure over Ten-Thousand (\$10,000.00) dollars to be approved by City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

SECTION 1. That the Mayor has the authority to execute any and all documents associated with the purchase and conversion of the sick bank to a short-term disability and authorizes the City Manager is authorized to provide any gap coverage to employees that may be excluded during the gap period within the Short Term Disability insurance during the dissolution of the Sick Bank and the implementation of the Short-term disability coverage.

SECTION 2. City Council authorizes the expenditure of funds up and to Sixteen-Thousand (\$16,000.00) Dollars for the purchase of Short-Term Disability and that the Mayor's authorization is subject to the review of the contracts by the Office of the City Attorney.

INTRODUCED, PASSED, APPROVED AND ADOPTED this 6th day of July 2010, the vote upon roll call being as follows:

Ayes: Mayor McAlister; Councilmembers Bryan, Deal, Forstedt, Nation, Powers and Shaver

Nays: None.

Absent/Abstain: None.



THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO

BY: Terry L. McAlister
Mayor Terry McAlister

ATTEST:

Andrea Strand
Andrea Strand, City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN) ss.
CITY OF FORT MORGAN)

CERTIFICATE

I, Andrea Strand, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the City Council and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 8th day of July, 2010.

Andrea Strand
Andrea Strand, City Clerk