



City of Grand Island

Tuesday, September 09, 2003

Council Session

Item G12

#2003-259 - Approving Contract with Security Benefits Relative to HRA Benefit to Non-Union Employees

Proposed is a contract with Securities Benefit Group of Companies to provide administrative services for a HRA (Health Reimbursement Account). This plan is an approved VEBA 501(c)(9) by the IRS. This benefit is being proposed for non union employees at this time with the exception of the IAFF who will be allowed to participate through rollovers of their own leave banks. This proposal includes a contribution by the City on the employee's behalf of \$16 per pay period for full time employees and \$12 per pay period for an employee in the status of part-time with benefits. These dollars were represented in the budget under payroll and will be moved to a different line item which is more appropriate for the expense. There will be 181 non-union employees eligible for this benefit. If approved, employee educational meetings will be held the last two weeks of September. The plan should be functional by end of the first full pay period in October. Approval is recommended.

Staff Contact: Brenda Sutherland



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
401 (c)(9) VEBA TRUST (VOLUNTARY EMPLOYEE BENEFITS ASSOCIATION)**

RFP DUE DATE: August 20, 2003
DEPARTMENT: Human Resources
PUBLICATION DATE: August 5, 2003
NO. POTENTIAL BIDDERS: 3

SUMMARY OF PROPOSALS RECEIVED

ICMA Retirement Corporation
777 North Capitol Street, NE
Washington, DC 20002-4240

Security Benefit Group of Companies
One Security Benefit Place
Topeka, KS 66636-0001

cc: Brenda Sutherland, Finance Director
Marlan Ferguson, City Administrator
Dale Shotkoski, Purchasing Agent
Laura Berthelsen, Legal Assistant

P850

R E S O L U T I O N 2003-259

WHEREAS, the City of Grand Island invited proposals for 501(c)(9) Veba Trust (Voluntary employee benefits association), according to plans and Request for Proposals on file with the Human Resources Department; and

WHEREAS, proposals were due on August 20, 2003; and

WHEREAS, Security Benefit Group of Companies of Topeka, Kansas, submitted a proposal in accordance with the terms of the Request for Proposals and all other statutory requirements contained therein; and

WHEREAS, it is anticipated that during the 2003-2004 fiscal year, the City will contribute into the plan \$16.00 per pay period for nonunion full-time employees and will contribute \$12.00 per pay period for nonunion part-time employees with benefit status; and

WHEREAS, subsequent contributions by the City will be determined and approved as part of the annual budget process; and

WHEREAS, there is no administrative costs to the City for Security Benefit to administer the program; and

WHEREAS, a proposed agreement with Security Benefit Group of Companies for such services has been reviewed and approved by the City Attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

1. The proposal of Security Benefit Group of Companies of Topeka, Kansas to administer a 501(c)(9) Veba Trust (Voluntary employee benefits association) plan is hereby approved.
2. For the 2003-2004 fiscal year, the City will contribute \$16.00 per pay period for nonunion full-time employees and will contribute \$12.00 per pay period for nonunion part-time employees with benefit status.
3. Subsequent contributions by the City will be approved as part of the annual budget process.
4. A contract between the City and Security Benefit be entered into for such project; and the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 9, 2003.

Approved as to Form ☐ _____
September 5, 2003 ☐ City Attorney

RaNae Edwards, City Clerk

Approved as to Form	? _____
September 5, 2003	> City Attorney