

## MEMORANDUM

TO: Mayor and City Council

FROM: Richard Meyers, City Manager

SUBJECT: RESOLUTION ELECTING TO CONTRIBUTE THE CITY'S SHARE FOR HEALTH INSURANCE COVERAGE FOR FULL-TIME EMPLOYEES LAID OFF MAY 2, 2020

DATE: April 22, 2020

### Background

On April 1, 2020 the City Manager issued the 30 day notice for possible layoffs of 15 part-time and 5 full-time employees. The layoffs are effective May 2, 2020. Since the full-time employees will have one day of work in May they will have insurance coverage through the end of May. After May 31<sup>st</sup> they would be eligible for insurance coverage under COBRA rules but would be responsible for the entire premium instead of only 5% of the premium.

At the previous City Council meeting the City Council was asked to consider assisting with the premium costs for the full-time employees while they were laid off.

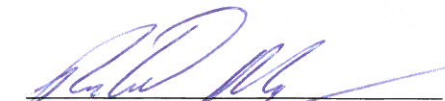
The attached Resolution was prepared to continue the same contribution currently paid by the City for employee health insurance benefits for the laid off full-time employees until the layoff ends and the individuals are called to return to work.

### Recommendation

That the City Council adopt the attached resolution electing to contribute the City's share for health insurance coverage for full-time employees laid off May 2, 2020 until the layoff ends when the employees are called back to work.

### Cost

\$6,812 per month to cover the laid off employees at current contribution amounts.

  
Richard Meyers, City Manager

RESOLUTION NO. \_\_\_\_\_

ELECTING TO CONTRIBUTE THE CITY'S SHARE FOR HEALTH INSURANCE  
COVERAGE FOR FULL-TIME EMPLOYEES LAID OFF MAY 2, 2020

WHEREAS, on March 8, 2020, the Governor of the State of Oregon (Governor) issued Executive Order 20-03 declaring a statewide State of Emergency under ORS 401.025(1) due to the serious public health and safety threat posed by the spread of the COVID-19 virus within our state; and

WHEREAS, the City of Cottage Grove closed the Cottage Grove Library to the public on March 13, 2020; and

WHEREAS, on March 16, 2020, the Governor issued Executive Order 20-07 "Prohibiting On-Premises Consumption of Food or Drink" due to the serious public health and safety threat posed by the spread of the COVID-19 virus within our state; and

WHEREAS, on March 23, 2020, the Governor issued Executive Order 20-12, "Ordering Oregonians to Stay at Home", establishing measures for public and private facilities and mandating social distancing; and

WHEREAS, the City of Cottage Grove closed Middlefield Golf Course on March 23, 2020; and

WHEREAS, on April 1, 2020, the City Manager issued layoff notices to 15 part-time and 5 full-time employees from Middlefield Golf Course and Cottage Grove Library; and

WHEREAS, the full-time employees will be laid off effective May 2, 2020; and

WHEREAS, the full-time employees will continue to be covered by existing health insurance benefits through May 31, 2020; and

WHEREAS, the laid off full-time employees are eligible to continue existing health insurance benefits under COBRA rules beyond May 31, 2020; and

WHEREAS, the Cottage Grove City Council desires to assist the laid off full-time employees with the costs for continuing health insurance coverage beyond May 31, 2020 under COBRA until the layoffs end and employees are called back to work.

NOW, THEREFORE, BE IT RESOLVED, that the Cottage Grove City Council agrees that, on behalf of all the full-time employees laid off on May 2, 2020, the City will contribute to the cost of the current health insurance program (medical, vision and dental) up to 95% of the premiums per month until the layoff is rescinded and employees are called back to work, until the laid off employee finds other employment, or until COBRA benefit rights end, whichever is sooner.

BE IT FURTHER RESOLVED, laid off employees will be responsible for paying the remaining portion (5%) of the premiums per month.

BE IT FURTHER RESOLVED, this benefit coverage is unique and provided due to the specific circumstances related to the current pandemic outlined in the recitals above, which are incorporated herein by this reference, and shall in no event set a precedent, policy or practice for treatment of other Cottage Grove employees.

BE IT FURTHER RESOLVED that this resolution shall be effective immediately upon its passage.

PASSED BY THE COUNCIL AND APPROVED BY THE MAYOR THIS 13TH DAY OF APRIL, 2020.

\_\_\_\_\_  
Jeffrey D. Gowing, Mayor

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Richard Meyers, City Manager

Dated: \_\_\_\_\_