

BENEFITS PACKAGE SUMMARY SHEETS FULL-TIME EMPLOYEES

Effective 07/01/22

Pay Range

A salary range has been established for each position with a minimum, midpoint, and maximum salary established for each range. A salary can be set at any point within the range, however Council approval is needed if it is requested to be set at midpoint or above. There are 50 ranges with a 5% difference between the midpoints of each range. Each range has a 75% spread from the minimum salary to the maximum salary within the range.

Medical, Prescription Drug, Dental & Life

Note: Insurance coverage becomes effective the 1st of the month after employment begins.

Medical & Dental insurance coverage is provided at no cost to full-time employees for five out of the six available plans. Dependent Medical coverage is available will be a payroll deduction based on the dependents per family. Rates for each plan can be found on our 2022-2023 [Rate Sheet](#). The designation "children" includes dependent children through the month your child reaches age 26.

Full benefits can be found in our [ENGLISH](#) and [SPANISH](#) Open Enrollment Guide.

Core Plan: There is a \$500 annual deductible per person, \$1,000 per family of 2, and \$1,500 per family of 3+ In-Network, and \$1,000/\$2,000/\$3,000 annual Out-of-Network, embedded deductible. After the annual InNetwork deductible is met, coverage is 80% by insurance carrier and 20% by the employee, with an embedded annual out-of-pocket maximum of \$4,500/person or \$9,000/family. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

Copay Plan: This plan offers several co-pays including a \$25 copay with Primary Care Physician and \$50 copay with Specialist and Urgent Care (does NOT include emergency room). Copay amounts are not included in the deductible. There is a \$750 annual deductible per person, \$1,500 per family of 2, and \$2,250 per family of 3+ In-Network, and \$1,500/\$3,000/\$4,500 annual Out-of-Network, embedded deductible. After the annual In-Network deductible is met, coverage is 80% by insurance carrier and 20% by the employee, with an embedded out-of-pocket maximum of \$5,000/person or \$10,000/family. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

\$1,200 PPO Plan: This plan offers several co-pays including a \$25 copay with Primary Care Physician and \$50 copay with Specialist and Urgent Care (does NOT include emergency room). Copay amounts are not included in the deductible. There is a \$1,200 annual deductible per person, \$2,400 per family of 2, and \$3,600 per family of 3+ In-Network, and \$2,400/\$4,800/\$7,200 annual Out-of-Network, embedded deductible. After the annual In-Network deductible is met, coverage is 70% by insurance carrier and 30% by the employee, with an embedded out-of-pocket maximum of \$6,000/person or \$12,000/family. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

High Deductible Plans (HDHP) with Health Savings Accounts (HSA):

The City puts the difference between the employer contribution of the Core Plan and the cost for the HDHP plan, up to the IRS set individual maximum limit, into a Health Savings Account for the employee. These plans are non-embedded (with the exception of the third HDHP which is embedded), which means the family deductible must be met before claims are paid for any member of the family.

The first HDHP plan has a \$1,500 annual deductible per person or \$3,000 per family of 2+ In-Network, and a \$3,000 per person or \$6,000 per family of 2+ annual deductible Out-of-Network. After the deductible, coverage is 80% by insurance carrier and 20% by the employee In-Network, with an annual out-of-pocket maximum of \$3,500/person or \$6,550/family of 2+. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

The second HDHP plan has a \$2,500 annual deductible per person or \$5,000 per family of 2+ In-Network, and a \$5,000 per person or \$10,000 per family of 2+ annual deductible Out-of-Network. After the deductible, coverage is 80% by insurance carrier and 20% by the employee In-Network, with an annual out-of-pocket maximum of \$3,450/person or \$6,550/family of 2+. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

The third HDHP plan has a \$5,000 annual embedded deductible per person or \$10,000 per family of 2+ In-Network, and a \$10,000 per person or \$20,000 per family of 2+ annual embedded deductible Out-of-Network. After the deductible, coverage is 80% by insurance carrier and 20% by the employee In-Network, with an annual embedded out-of-pocket maximum of \$6,450/person or \$12,900/family of 2+. After the annual Out-of-Network deductible is met, the plan pays 50% and does not have an annual out-of-pocket maximum.

The Health Savings Account will be a tax-deferred account available to any employee who enrolls in a High Deductible Plan. The Health Savings account has a maximum yearly contribution that is set by the IRS. A Health Savings Account can be used for all medical expenses per IRS Publication 502. This Account can also be carried over year to year and can be inherited.

Prescription Drugs:

Prescription drug benefits are paid based on a formulary. A formulary is a list of drugs that are covered under the plan. Employee co-pay amounts depend on whether you purchase generic, preferred brand name, or nonpreferred brand name prescriptions, and whether you purchase a 30-day or a 90-day supply.

Under the high deductible plans, you must meet the annual medical plan deductible before the plan pays a prescription drug benefit, with the exception of certain preventive medicines and medical services not subject to the deductible.

Dental Plan:

The dental insurance through Delta Dental covers an annual maximum of \$1,500 per person with a \$50 per person annual deductible. After the deductible is met, services are covered either 80% / 20% or 50% / 50%, depending on the service. Two annual cleanings and one set of x-rays are covered at 100% every year without meeting your deductible. Children under age 17 are eligible for \$1,500 lifetime maximum of orthodontics. The City provides this plan at no cost to the employee.

Wellness Benefits:

ComPsych – Confidential counseling service to help employees and their family members deal with problems which interfere with their work and/or home life. Up to six (6) free counseling sessions per situation per year are provided through the insurance company. If applicable, for first responders, 12 one-on-one counseling sessions are included for a traumatic on-the-job event. ComPsych also offers a variety of other services as well such as legal counseling, financial counseling, elder/child care, etc.

Kairos Health Arizona, Inc. also offers general wellness benefits – examples: annual flu shot, well child exam, well child physical exam for sports, adult physical exam and annual well woman exams. Refer to the annual open enrollment brochure for more information and a complete listing of all wellness benefits included. Wellness benefits are covered at 100% but are not counted towards your deductible.

Vision

A voluntary program through VSP that covers an annual eye exam, spectacle lenses (including progressive lenses) or contact lenses every 12 months and frames every 24 months. Doctor needs to participate in VSP network for insurance to apply.

Life Insurance

The City provides two separate life insurance policies at no cost to eligible, full-time employees.

The first life insurance policy provided to employees is through Sun Life Financial. It covers the amount of one year's annual salary in even thousand-dollar amounts. (Example: \$13,300/yr = life amount \$14,000 or \$14,001 = \$15,000 [rounded to next \$1,000]).

Voluntary life insurance available through Sun Life Financial for dependents-

Employee Spouse = \$5,000.00 for \$2.98/month

Employee dependent children = \$2,000 for \$2.98/month

(Dependent children are from 14 days old to 19 years unless a full-time student, then is covered until age 25.)

The second life insurance policy is for a flat \$50,000 of basic group life insurance and \$50,000 of AD&D insurance included with the medical plan for employees through MetLife. Supplemental life insurance is available through this policy in \$1,000 increments to employee & spouse to a maximum guaranteed issue amount of \$30,000 for spouse with coverage terminating at age 70, and maximum \$150,000 for employees with coverage decreases starting at age 70 (67%) and 75 (50%). Rates are dependent on age. Children supplemental life insurance is .152¢ per \$1,000 of coverage. If you purchase life insurance for your children, it covers all children listed at one flat rate.

NOTE: The maximum amount of allowed premium paid by any entity shall be for coverage not to exceed \$50,000 before some tax implications are imposed. Currently, the City of Cottonwood has \$50,000 coverage through MetLife via the Kairos Health Arizona, Inc. as part of its Health Plan. The City of Cottonwood also maintains a policy equal to your annual salary at the City's expense. This latter amount will now be taxed based on a schedule provided under IRS regulations. The liability amount is so minimal that it will be deducted biweekly.

Commuter Insurance

The City provides accidental death and dismemberment commuter insurance for all full-time employees, with a principal amount of \$200,000. This covers injury or death resulting from an accident which occurs while the employee is commuting directly between his/her residence and place of regular employment, either as a pedestrian, or while traveling in or on, boarding, or alighting from a conveyance, on a regularly scheduled workday. The policy also covers injury or death resulting from an accident which occurs during a hijacking anywhere in the world while the employee is on a business trip.

LegalShield & IDShield

The City offers both of these coverages on a voluntary basis. LegalShield provides legal consultation, legal advice, legal document preparation and review, will preparation, and much more! IDShield provides identity consultation and advice, identity and credit monitoring, social media monitoring, child monitoring, complete identity restoration, identity threat alerts, and credit inquiry alerts. Here is a link to the website where you can find more information and sign up: <https://w3.legalshield.com/gs/init?grp=cottonwoodpayroll>.

Vacation

96 hours in first year for non-exempt employees, 136 hours in first year for exempt employees. Vacation days may be used during the employee's orientation period (six months or one year) at the discretion of the department head. After five (5) years of service an additional 40 hours per year of vacation is added to an employee's accrual rate. After fifteen (15) years of service, an additional 40 hours per year of vacation is added to an employee's accrual rate. Each category has its own capped maximum limit of accrued hours.

Sick Leave

Accumulates at the rate of one (1) day per month. There is no cap on hours, and when employee leaves employment with the City, reimbursement will be made for hours accumulated in excess of 480 hours, up to a maximum of 1,040 hours, for a total of up to 560 hours.

Holidays

Twelve (12) paid holidays per year: Martin Luther King Day, Presidents Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Day, New Year's Day and Employee's Birthday. Employee's Birthday does not have to be taken on the birthday date, but it must be taken in the calendar year it is granted. Holidays are counted as 8-hour days. Any position working 10+ hour shifts will need to supplement this with 2 hours of their choice of leave or make-up 2 hours during the week in order to be paid for a full week.

For a full summary of all compensated time and leave, please refer to the [Employee Manual- Section 6](#).

Education

The City will provide up to \$2,000 reimbursement per employee per fiscal year towards their education. Education is not required to be job related or part of a specific degree or certification program. Approval through the Finance department must be obtained prior to enrollment and funds are available on a first come first served basis.

For more information, please review the [Tuition Reimbursement Policy](#).

Retirement

Most eligible full-time or part-time employees (except Police Officers and Firefighters) will be enrolled in the Arizona State Retirement System. The rate of contribution is controlled by the State legislature and is set at 12.17% (12.03% retirement, 0.14% long-term disability) for this fiscal year. The contribution to Social Security is 7.65%.

Police Officers and Firefighters are enrolled in the Public Safety Personnel Retirement System (PSPRS). If you are a new enrollee to the system, the rate of contribution is 9.00%. If you have previously been enrolled in PSPRS, your contribution rate will be based on the tier you fall into.

Recreation Center Membership

Full-time employees may join the Cottonwood Recreation Center at no charge. Family members may join at half the regular price starting at the three-month plan option and above. This is considered a taxable benefit.

Employer Assisted Housing Program

The City offers up to \$15,000 in Down Payment Assistance to eligible employees who have worked for the City for at least one year and have not purchased a home in Yavapai or Coconino County in the last three years. For more details, visit <https://cottonwoodaz.gov/DocumentCenter/View/4904/Employer-Assisted-Housing-Flyer-2022> or contact angelak@housingnaz.org / 928-214-7456.

Optional Benefits

[Allstate](#), [Direct2MD](#), *Deferred Compensation* (457 plan), you may choose from two providers –[VOYA](#) and [Nationwide](#).

CONDITIONS OF EMPLOYMENT – IF OFFERED THE POSITION

Depending on the position, the successful candidate may be required pass a physical examination and/or drug screen at the City's expense. All successful candidates age 18 or older will be fingerprinted to conduct a criminal history record review.

Full time employees, (except for Police and Fire Department employees) are placed on a six (6) month orientation period and are evaluated on the 6th month during this period. An orientation employee is an at-will employee and can be terminated without cause. A Police or Fire Department employee is placed on a twelve (12) month orientation period.

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