



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Agenda Finance & Administration Council Committee

Thursday, November 1, 2018

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

3. Approval of minutes

[MIN-18:100](#) Minutes for the Finance Committee meeting on October 9, 2018

Attachments: [Minutes](#)

4. New Business

ORDINANCES TO BE INTRODUCED

[ORD-18:071](#) AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE A CONTRACT WITH ARKANSAS BLUE CROSS BLUE SHIELD TO PROVIDE INSURANCE COVERAGE FOR CITY EMPLOYEES FOR 2019

Sponsors: Human Resources

Attachments: [BCBS City of Jonesboro](#)
[BCBS City of Jonesboro Rx Only](#)
[BCBS Jonesboro Craigthead Library](#)
[BCBS Jonesboro Municipal Airport](#)
[BCBS JURHA](#)

RESOLUTIONS TO BE INTRODUCED

[RES-18:165](#) A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE SHORT TERM AND LONG TERM DISABILITY INSURANCE TO CITY OF JONESBORO EMPLOYEES

Sponsors: Human Resources

Attachments: [Exhibit A](#)

[RES-18:173](#) A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE A FLEXIBLE COMPENSATION PLAN TO CITY OF JONESBORO EMPLOYEES

Sponsors: Human Resources

Attachments: [Exhibit A](#)

RES-18:174 A RESOLUTION TO CONTRACT WITH ZAXBY'S FOR SPONSORSHIP OF ONE
OUTFIELD SIGN AT SOUTHSIDE SOFTBALL COMPLEX

Sponsors: Parks & Recreation

Attachments: [Exhibit A](#)

RES-18:175 RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS
TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE
PUBLIC LIBRARY TAX

Sponsors: Finance

RES-18:177 RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS
TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY
FOR THE JONESBORO POLICE PENSION PLANS

Sponsors: Finance

RES-18:178 RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS
TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY
FOR THE LOCAL FIREMENS PENSION PLANS

Sponsors: Finance

RES-18:179 A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE
MAYOR TO ENTER INTO AN AGREEMENT WITH VECTOR DISEASE CONTROL
INTERNATIONAL, LLC

Sponsors: Mayor's Office

Attachments: [Vector Disease Control Agreement](#)

5. Pending Items

6. Other Business

7. Public Comments

8. Adjournment



Legislation Details (With Text)

File #: MIN-18:100 **Version:** 1 **Name:** Minutes for the Finance Committee meeting on October 9, 2018
Type: Minutes **Status:** To Be Introduced
File created: 10/11/2018 **In control:** Finance & Administration Council Committee
On agenda: **Final action:**
Title: Minutes for the Finance Committee meeting on October 9, 2018
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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Minutes for the Finance Committee meeting on October 9, 2018



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, October 9, 2018

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Present 4 - Charles Coleman; Ann Williams; David McClain and LJ Bryant

Absent 2 - John Street and Joe Hafner

3. Approval of minutes

[MIN-18:094](#)

MINUTES FOR THE FINANCE AND ADMINISTRATION COMMITTEE MEETING ON SEPTEMBER 25, 2018

Attachments: [Finance Minutes 09252018.pdf](#)

A motion was made by Councilperson Ann Williams, seconded by Councilperson Charles Coleman, that this matter be Passed . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman; Ann Williams; David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

4. New Business

ORDINANCES TO BE INTRODUCED

[ORD-18:065](#)

AN ORDINANCE TO AMEND THE RITTER COMMUNICATIONS, INC. FRANCHISE AGREEMENT AND TO ENTER INTO A MEMORANDUM OF AGREEMENT BETWEEN RITTER COMMUNICATIONS, INC. AND THE CITY OF JONESBORO

Sponsors: Finance

Councilmember David McClain asked if the amount was going to change a lot. Is it not changing from when we first adopted this? It looks like it's not, but maybe I'm a little bit confused. Chief Operations Officer Bill Reznicek said I'll be happy to explain that. When we entered into the franchise agreement with Ritter Communications, initially, there was a section that called for the equivalent value of the PEG channel that we received from Suddenlink and the compensation was to be provided by Ritter in lieu of Ritter providing us with a PEG channel. So, we went back and looked at the agreement and tried to figure out how to calculate an equivalent value. That was a difficult part and it took us some time to do that. Essentially, what it calls for in the

franchise agreement is that that is based on subscribership with Suddenlink and the value per subscriber applied to the number of video subscribers that Ritter has. So, one piece of that was relatively easy to determine. Ritter could readily give us their subscribership count for video services, but for Suddenlink we had to essentially estimate that with the best data we had, and then take a pro-rated or an equivalent ratio of subscriberships between the two. We also had to come up with a valuation for the PEG channel per subscriber. We went through a number of iterations with that. We had a low side and a high side calculation that we presented to Ritter. We settled on the low side calculation. Everybody felt like in lieu of being able to come up with exact numbers that it was only fair to err on the low side of the estimate. That brought us to a number, over the period of years that the franchise agreement had been in effect, of \$29,000 and some change that Ritter effectively owed us under this franchise agreement.

Mr. Reznicek said the next step in that process was to sit down with Ritter and try to come up with a resolution to the \$29,000. Ritter wasn't anxious to write us a check for \$29,000, so we looked at things they had done or things they could potentially do in the future that had economic value. What Ritter came up with ultimately was a list of philanthropic things that they had done. For example, they had donated money for one of the drug dogs in 2016. It was \$9,000. They had also contributed quite a bit of money to the Miracle League project. The scoreboard at Miracle League was branded by Ritter. The expense on the scoreboard alone was \$50,000. So, we gave them credit in essence for all those projects they had done for the city over a number of years. We came to a final agreement where they would write us a check for \$10,000, and they would also buy an additional sponsorship at Joe Mack Campbell Park at \$1,000 per year for five years. So, that's essentially \$15,000 in cash, and for the balance of the \$29,000, we considered the philanthropic work that they have done in lieu of that difference. That settled one piece of the puzzle. The next piece was how we managed this franchise agreement going forward given the difficult nature of coming up with the exact calculation. So, we all went back and agreed to approximately \$3,000 per year. Going forward, Ritter will either write us a check annually for \$3,000 or they would provide the equivalent of video production service at a rate of 40 hours of service per year, which we believe is going to be valuable to our communications department. Communications Director Bill Campbell and his staff said it would be a tremendous asset to their department to get 40 hours of quality digital video production per year from Ritter with their assistance. So, that is what we settled on and that's the agreement going forward for the remainder of the original term, which runs through 2028.

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[ORD-18:066](#)

AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE A CONTRACT WITH DELTA DENTAL TO PROVIDE INSURANCE COVERAGE FOR CITY EMPLOYEES FOR 2019

Sponsors: Human Resources

Attachments: [9448-City of Jonesboro Renewal Pkg2018-Updated](#)

Councilmember David McClain said it says there is no net change, but do you feel this

is the best to leave it as is and stay with Delta Dental. Chief Operations Officer Bill Reznicek said if you recall, last year, we had a slight reduction with Delta Dental in our overall rates. We did anticipate a slight increase this year that will essentially offset what we saw last year. The overall increase this year was 6%. The original request that came in was closer to 9%. We've had an excellent experience with Delta Dental. We haven't really had any issues from the employees. They are very good about paying claims. Our other alternative was to get a quote from Blue Cross, but we chose not to do that. We are working with Blue Cross on renewal on the health insurance and we just felt like it would be to our benefit to renew with Delta Dental, at this time.

Councilmember Dr. Charles Coleman asked if this was going to be an ongoing change or if it was going to be permanent. Mr. Reznicek said what they do is rate it every year. They look at your loss ratio. As I said, last year, we actually saw a reduction that was about the equivalent of this increase. So, it's going to fluctuate year to year depending on our loss experience. It can vary. That's what we are going through right now with the health insurance. We are reviewing that, as well. So, probably at the next meeting or the meeting after that we will be coming to the committee with a recommendation on renewing our health coverage for next year.

Councilmember Dr. Coleman asked are there any other insurance companies that you all have talked to or is that the only one at this time. Mr. Reznicek said it's the only one. I could get into it today, but I would rather explain it when we come in with the request for renew on Blue Cross. There's some logic to our approach on it, but it probably would go beyond the scope of what I'm prepared to talk about today and the time that we would have to devote to it today. Councilmember McClain asked do you all have similar thinking as far as the reason. Mr. Reznicek said yes.

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[ORD-18:067](#)

AN ORDINANCE TO AMEND THE 2018 BUDGET FOR THE FY2018 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM

Sponsors: Finance, Grants and Police Department

Attachments: [Budget Narrative](#)

Councilmember David McClain said this is going to pay for the same police officer pay. Correct? Community Development Director Tiffny Calloway said no. That was the last meeting. That was for STEP. This is for the Justice Assistance Grant, JAG. It's a grant straight from the Department of Justice. It is for 10 Toughbooks and 40 power adapters. Councilmember McClain said so that's computers and all. Ms. Calloway said yes, which is a small dent in what they actually need, but we're chipping away at that. Councilmember McClain said I was just curious.

Councilmember Dr. Charles Coleman asked if RES-18:164, RES-18:166 and RES-18:167 covered this same issue. Ms. Calloway said RES-18:166 is the actual resolution for us to accept the award, but this ordinance amends the budget. We pass our budget by ordinance, so we have to amend the budget by ordinance and we accept it by resolution. So, next Tuesday, if this is forwarded to full council, we will be able to go ahead and get City Clerk Donna Jackson and Mayor Harold Perrin to sign the award

documents. Councilmember Dr. Coleman said I just wanted to make sure. Ms. Calloway said thank you.

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

RESOLUTIONS TO BE INTRODUCED

[RES-18:162](#)

A RESOLUTION TO THE CITY OF JONESBORO, ARKANSAS TO APPROVE A SUPPLEMENTAL AGREEMENT WITH FISHER & ARNOLD, INC. FOR PROFESSIONAL ENGINEERING SERVICES TO THE HIGHWAY 18 AND MAIN STREET INTERSECTION

Sponsors: Engineering

Attachments: [Supplemental Request](#)

Councilmember David McClain asked if it would be possible to remove this from the consent agenda just in case others have questions. The only reason I am saying this is because we are not going out and asking for bids on this one. Councilmember McClain asked Engineering Director Craig Light if he would discuss why bids are not being accepted. Mr. Light said it's a professional services agreement so you do not take bids on it. It's against the law. There are two parts to the supplemental agreement. One is for shortening a turn lane. They designed it one way. We met with the Arkansas Highway and Transportation Department and property owners that were going to be impacted and the decision was made that we needed to shorten that turn lane. So, this is to pay the consultants to redesign something that was already complete and make it shorter, so we don't impact the property owners as much. The second part of the change order is for some engineering and design work with the drainage system that was not included in the scope of work originally, but it was something that needed to be done because of drainage issues at that intersection. During heavy rain, that intersection does flood. They had to do some additional work to make sure that that wouldn't happen after this construction project happens. They actually cut their fee in half. So, we think it was a fairly good proposal from them to cut the cost on that portion of the change order.

Councilmember Ann Williams said since this is a STIP project, this is in part state highway funds. Is that right? Mr. Light said yes. Councilmember Williams asked how much of that is coming from the state. Mr. Light said actually, on this particular project, our cap on the project is \$1 million, and that goes towards design and construction. Truthfully, what we are going to spend on the project is not going to change. It was capped. It always has been capped. An additional portion would be going towards design rather than construction. Ultimately, our outlay on it is going to be exactly the same as it always has been. Councilmember McClain said I was just curious. City Clerk Donna Jackson said it can still be put on the regular agenda and not the consent agenda, if you want. Councilmember McClain said I would just in case somebody has a question about it.

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this matter be Recommended to Council .

The motion PASSED with the following vote.

Aye: 4 - Charles Coleman; Ann Williams; David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[RES-18:163](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF JUSTICE AND ACCEPT THE FY 2018 BODY-WORN CAMERA POLICY AND IMPLEMENTATION PROGRAM (BWC PIP) GRANT

Sponsors: Grants and Police Department

Attachments: [Award Letter 2018-BX-0045](#)

Councilmember David McClain said we have to match \$300,000 and we haven't set our budget yet for next year. Correct? Chief Operations Officer Bill Reznicek said right. So, if you remember Axon Corporation gave us the body cameras we are currently using. That was on a one-year trial period that they have extended through December 31st because they knew we were looking at either renewing with them or renewing an agreement to have body-worn cameras. In the meantime, Community Development Director Tiffny Calloway had gone out and procured this grant, which was a significant pick up for the city. It gives us the ability, with a match, to fund \$100,000 of the body-worn cameras over a period of three years per year. We will have to match that. It's a \$300,000, three-year grant that has an equivalent match. So, what we're looking at today in the budget is an expenditure to roughly double that amount on an annual basis for our portion of it for the body camera system. In essence, this will subsidize that. One thing this grant does call for, that we weren't anticipating, is the need for competitive bidding because we had been on the Axon product for the last year and they had renewed the trial period through December 31st. We were looking potentially at a sole source situation with them because of the nature of the technology that they have, but we will go out into the marketplace and get three bids for body-worn cameras for the police department. To answer your question, it is in the budget and it is part of the budget process for 2019. We had already addressed this, although we had addressed it in a slightly different fashion because the knowledge of the award of the grant had not come to us until approximately a week ago. We had made arrangements to have an amount in the budget for body-worn cameras anticipating renewing that and continuing deploying them to the police department. This will simply subsidize a portion of that expenditure for us for the next three years.

Councilmember Dr. Coleman said even though you send it out and get three bids, does that bid include warranty for a certain period-of-time? Mr. Reznicek said yes. I think the ones they looked at in the past generally had some type of agreement, and what we find typically with these is that you do have some type of agreement if you're going to use them over a multi-year period. Because of the nature of the technology, they will upgrade and warrant the product. So, we will be looking at that and incorporating that into our bid requests. Councilmember Dr. Coleman said the other reason I asked that is because with some technology for cameras sometime the upgrade is more or less a software thing rather than a physical thing. Hopefully, this is more of a software thing that wouldn't cost us a large amount of money if we have any issues or not. Mr. Reznicek said absolutely. You are absolutely correct. It is a camera, but what makes it what it is today is the technology behind the camera. Anyone can build a camera today. You can look at your cell phone and it's a camera and a video camera, but it's the technology and the capability of capturing the data, storing the data, and being able to do redactions easily that really makes the product

worth the value that we pay for it. Councilmember Dr. Coleman said thank you.

Councilmember McClain asked how much have you all included in this \$300,000 or \$600,000 for the cost of cameras to go up. Have we calculated for that in this amount or is it just planning to put a \$100,000 per year for three years? Is my math correct? Mr. Reznicek said I can give you the cost for Axon if we were to renew with the Axon product. The cost of 139 cameras, plus I think we had a provision in there for about 12 spares on the shelf, priced over a five-year lease period that does include warranty and upgrades is about \$275,000 per year. You can put it into perspective that if we were to renew with Axon and that does indeed become the vendor of choice, even after we go through the three-bid selection, then of our cost of \$275,000 per year, \$100,000 of that would be born for at least three years by the provisions of this grant. Councilmember McClain said this is just three years, then, after that, we're on our own. Mr. Reznicek said then we're on our own if we don't get an additional grant, but I think Ms. Calloway would be working towards some overlap or renewals of the grants.

Councilmember Dr. Coleman said I do have another question. Is there any way with this grant that there could be money added to the 2019 budget so we wouldn't have this issue, mainly because of the crime elements that we have in Jonesboro and the things that we have going where we wouldn't have to go through this cycle again. Mr. Reznicek asked where we wouldn't go through the grant request cycle. Councilmember Dr. Coleman said right. The money would actually be put into the budget. Mr. Reznicek said the product we go with, the way the technology works, and the way these types of agreements work, it's going to be a multi-year product. So, the commitment would be a multi-year commitment, although in the budget, it's going to be written annually for the procurement or the appropriation for that amount for the ensuing year. When we come into the process, we will know on the front end and council will know that we are indeed signing a five-year contractual commitment for that product. Although the appropriation would be for one year, it would be the \$275,000 and parallel to that we would also be asking to sign an agreement that would be a multi-year agreement for the provision of the body-worn cameras.

Councilmember L.J. Bryant asked what the savings were on Tasers. Particularly with the vendors we've been using, the new agreement might include replacing the car cameras, so how much would we be saving on those two things. Mr. Reznicek said if we go with the Axon product, for the complete package with the Tasers and car camera, with what we're spending on replacement of Tasers, cartridges, etc., it's probably about \$50,000 to \$60,000 per year potentially that we could save. There are requirements that the officers have to discharge so many cartridges a year in training and they obviously do more than the minimum for training, so there's savings, as you point out, in the Taser acquisition in the ongoing replenishment of the supplies for that.

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[RES-18:164](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO GRANTS AND COMMUNITY DEVELOPMENT TO APPLY FOR THE FY 2018 ASSISTANCE TO FIREFIGHTERS GRANT (AFG) PROGRAM FROM THE DEPARTMENT OF HOMELAND SECURITY

Sponsors: Grants and Fire Department

Attachments: [FY 2018 AFG Fact Sheet_Final Sept 24 2018](#)

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[RES-18:166](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH THE U.S. DEPARTMENT OF JUSTICE AND ACCEPT THE 2018 JUSTICE ASSISTANCE GRANT (JAG)

Sponsors: Grants and Police Department

Attachments: [JAG Award 2018-DJ-BX-0775](#)

Mr. Harold Carter, 902 Tony Drive, said I was reading this one and decided I wanted to look at the letter. I was a bit surprised to find that the letter was as big as what it was. Who reads this stuff? You're talking about special requirements and many other requirements. I didn't even have time to read it all so I can't speak to the details, but there's no telling what's in there. Who actually reads these? Does the committee or the council read them? I'm assuming somebody does. I can read them, but it would take some time and some re-reading of all that's in there to come to any sensible conclusion. Councilmember L.J. Bryant said I did read it, but I'll let Community Development Director Tiffany Calloway address the compliance angle of it.

Ms. Calloway said I don't know specifically which one you are referring to Mr. Carter, but there is a special condition on each of the federal grant applications that has to be signed by Mayor Harold Perrin and attested by City Clerk Donna Jackson and by Mayor Perrin. So, each of these documents is read by Mayor Perrin. Our Community Development Grants Department has been managing grant funding at about \$20 million for the past 10 years. So, our staff reads every single word in every single document that we receive. Mr. Carter said well, that's what I wanted to hear. I knew somebody did it. As long as it's being checked and everybody knows what's going on, that's fine with me. Whether it's only \$33,000 or a much larger amount, depending on what's in there and may be hidden in there, or apparently not hidden, there could be any kind of results come out of this, and I'm talking about nasty results, not good results. I may read it to see what the thing says now that I have a copy, but it's rather a shock to see that much paperwork and then think about how much there is with all these other U.S. grants that may be bigger or smaller. Councilmember Dr. Charles Coleman said I want to make sure people understand that it's our job as councilmembers to go into Legistar and read that information so we can have an adequate vote when we are voting.

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

[RES-18:167](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH THE DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE (BJA) AND ACCEPT THE FY 2018 BULLETPROOF VEST PARTNERSHIP GRANT

Sponsors: Grants and Police Department

Attachments: [Application Summary](#)
[Award Email](#)

A motion was made by Councilperson Ann Williams, seconded by Councilperson David McClain, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner

5. Pending Items

6. Other Business

Community Development Director Tiffny Calloway said I wanted to thank a few councilmembers who came last week to the Jonesboro Neighborhood Leadership session, including Councilmember L.J. Bryant, Councilmember David McClain, and Councilmember Dr. Charles Coleman. There were a couple of others, but the class thoroughly enjoyed your insight and what you had to say. They have e-mailed me several questions for you, and I'm sure they have probably already reached out to you. So, thank you, because you didn't have to do that and that was time outside of your duties. Councilmember Dr. Coleman said we appreciate you very much.

Councilmember David McClain said I have another question for Chief Operations Officer Bill Reznicek. Are we going to start to see an influx of grants that will have to have a match and that we'll have to look at the budget for next year? Are we going to start to see more of that? I feel like we did, but at the same time I just want to make sure to anticipate it. Mr. Reznicek said some of the grants are perspective and we don't know if we will get them or not. We are planning on having something that is extraneous of the budget itself, such as a document showing what we think potential grants are next year, what the economic implication would be, and what the potential match of those could be. It's been our policy to not incorporate grants into the budget on a perspective basis, but rather when they're actually awarded. We recognize that to give council a heads-up we could create a document that gives an anticipated economic impact of the grants for the following year. So, we are working on doing that. Councilmember McClain said I think that would be good. Councilmember Bryant said I think going forward it would be good if we could see the projected costs for some of the big-ticket items where grants roll off. Sometimes we have matching grants for firefighters and police, and sometimes we might get more grants, but if not, it would be good to look into the future and be able to see those projected costs. Mr. Reznicek said that's a good point. We can do that, as well, in the same exercise.

7. Public Comments

8. Adjournment

A motion was made by Councilperson Charles Coleman, seconded by Councilperson Ann Williams, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 4 - Charles Coleman;Ann Williams;David McClain and LJ Bryant

Absent: 2 - John Street and Joe Hafner



Legislation Details (With Text)

File #:	ORD-18:071	Version:	1	Name:	CONTRACT WITH ARKANSAS BLUE CROSS BLUE SHIELD TO PROVIDE INSURANCE COVERAGE FOR CITY EMPLOYEES FOR 2019
Type:	Ordinance	Status:			To Be Introduced
File created:	10/24/2018	In control:			Finance & Administration Council Committee
On agenda:		Final action:			
Title:	AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE A CONTRACT WITH ARKANSAS BLUE CROSS BLUE SHIELD TO PROVIDE INSURANCE COVERAGE FOR CITY EMPLOYEES FOR 2019				
Sponsors:	Human Resources				
Indexes:	Employee benefits				
Code sections:					
Attachments:	BCBS City of Jonesboro BCBS City of Jonesboro Rx Only BCBS Jonesboro Craigthead Library BCBS Jonesboro Municipal Airport BCBS JURHA				

Date	Ver.	Action By	Action	Result
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AN ORDINANCE TO WAIVE COMPETITIVE BIDDING AND AUTHORIZE A CONTRACT WITH ARKANSAS BLUE CROSS BLUE SHIELD TO PROVIDE INSURANCE COVERAGE FOR CITY EMPLOYEES FOR 2019

WHEREAS, the City has negotiated a favorable rate for insurance coverage for January 1 through December 31, 2019, that it would not be feasible or practical to require bids.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

SECTION ONE: That the City of Jonesboro shall enter into a contract for insurance coverage with Arkansas Blue Cross Blue Shield for a 7.06% increase in premiums. Single coverage will be \$462.21 per month and \$993.01 for family coverage. The City will pay 71% of the premiums for both single and family coverage. Benefits will remain the same.

SECTION TWO: Due to the need to maintain adequate coverage for city employees at an advantageous rate, competitive bidding would neither be feasible nor practical. As such, pursuant to the provisions of ACA 14-58-303 and ACA 14-538-304, competitive bidding is hereby waived.

SECTION THREE: That Mayor Harold Perrin and City Clerk Donna Jackson are hereby authorized to execute such documents as are necessary to effectuate the contract.



EMPLOYER APPLICATION

Blues Enroll

Renewal APPLICATION by CITY OF JONESBORO ARKANSAS

(hereinafter called "Policyholder")

For a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

GROUP INFORMATION

Legal Name Of Business: CITY OF JONESBORO ARKANSAS

D/B/A : CITY OF JONESBORO ARKANSAS

Street Address: 300 South Church Street

City,State,Zip: Jonesboro,AR,72401

County :Craighead

Mailing Address : (if different from street) P O BOX 1845

City,State,Zip: Jonesboro,AR,72403

Telephone # - 870-933-4640

Fax # -

Fed. Tax I.D # 71-6013749

Exec. Contact : Harold Perrin

E-Mail :

Group Administrator : Dewayne Douglas

E-Mail : ddouglas@jonesboro.org

Primary SIC Code : 9199

SIC Description:General Government, NEC

Business Type : Government

Agent :

Agent's Lic # :

Agent's Company :

Agent's Tax ID :

POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to Arkansas Blue Cross and Blue Shield ("ABCBS"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Policyholder agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then ABCBS may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), ABCBS may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, ABCBS may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

PROXY

The Policyholder hereby appoints the Board of Directors ("Board") of Arkansas Blue Cross and Blue Shield ("ABCBS"), as its proxy to act on its behalf at all meetings of members of ABCBS. This appointment shall include such persons as the Board may designate by resolution to act on its behalf. This proxy gives the Board, or its designee, full power to vote for the Policyholder on all matters that may be voted upon at any meeting. The annual meeting of Members is held each year at the home office of ABCBS located at 601 S. Gaines Street, Little Rock, Arkansas, on the third Monday of March, at 1:00 p.m. If the third Monday of March is a legal holiday, then the meeting will be at the same time and place on the next day after, which is not a legal holiday. A special meeting may be called upon notice mailed not less than ten (10) or more than sixty (60) days prior to such meeting. This proxy, unless revoked, shall remain in effect during the Policyholder's membership in ABCBS. The Policyholder may revoke this proxy in writing by advising ABCBS, attention Legal Division, of such at least five (5) days prior to any meeting. The Policyholder may also revoke its proxy by attending and voting in person at any Member's meeting.

BENEFIT SELECTION**PREFERRED PROVIDER ORGANIZATION (PPO) PPO \$600 deductible**Requested Effective Date, Pending approval is : **1/1/2019****Waiting Period Note** : Effective Date is the first day of the month following the Waiting Period .Date of Open Enrollment: December*If a month is not specified, the Group's open enrollment will be the month prior to the Group's renewal date.*

Class	Class Description	Waiting Period	Contribution
1	FULL TIME	1 Month	Employee 71% Dependent 71%
2	RETIREEES	0 Days	Employee 0% Dependent 0%

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age :26

Mandated Mental Health Parity :Yes

Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. **No**

Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.

Deductible : \$600	Deductible CarryOver : No
Family Deductible : 3	Basis : Fulfillment
CoInsurance : 80%/60%	In-Network Calendar Year Coinsurance Max: \$2,000/\$6,000
Family Calendar Year Coinsurance Max: 3	Basis : Fulfillment
Out-of-Network Calendar Year Coinsurance Max:None/None	
Lifetime Maximum: Unlimited	Traditional Wellness
Prescription Drug Rider Plan: \$15/\$35/\$55 Standard Formulary With Step Therapy	
Mail Order Drug -2x Copay(100 Days)	Out Of Pocket Definition : Embedded
<i>Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.</i>	
PPO Optional Benefits:	
Office Visit Copayment - \$35	Maternity - Elected
Supplemental Accidental Endorsement - Declined	ER Copayment -\$100
Blue Card	Inpatient Copay - None

Arkansas Mandated Offer Benefit Riders:**You Must Elect or Reject Each Rider:**

Mammography - Reject	Substance Abuse - Reject
Psychiatric Condition - Reject	TMJ* - Reject
Hearing Aid - Reject	

*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will not include temporomandibular Joint disorders (TMJ) or craniomandibular disorders.

Term Life and AD&D through US Able Life is not Provided

RATES - PPO \$600 deductible

Two Tier Composite	Total Premium
Employee	\$462.21
Family	\$993.01

If there is an agent or broker involved in this coverage transaction they may receive compensation from Arkansas Blue Cross and Blue Shield, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

Grandfather Status - Our records indicate that your health plan is grandfathered.

Please confirm if you agree with the grandfathered status as indicated above.

___ Yes, I agree with the status as shown.

___ No, I disagree with the status as shown because _____

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "WageWorks", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.¹

(Yes__)(No__) **As an employer, are you currently obligated by law to comply with COBRA?**

(Yes__)(No__) **Do you want to use the services of WageWorks?**

(Yes__)(No__) **If yes, are you currently contracting directly with WageWorks?**

1 COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).
2 42 CFR §411.170.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the preceding calendar year. The Public Health Services Act §2791(e) provides

(1) The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

The policyholder is a :

Small Employer _____

Large Employer _____ (if selected please check one of the following)

51-100 Employees _____ 101+ Employees _____

L Policyholder to Distribute and Account for Premium Rebates

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

- 1.For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees' portion of premium for the subsequent policy year;
- 2.For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option , at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
- 4.The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.

5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section. Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

EMPLOYEE INFORMATION

MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Arkansas Blue Cross of proper employee counts for the purpose of determining payment priority between Medicare and Arkansas Blue Cross. Arkansas Blue Cross is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time= means an active employee with a minimum of 30 hrs/week & 48 weeks/year.

	In State	Out Of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling):			
Life ONLY Contracts			
Total Enrolling and Waiving:			
Part Time/Seasonal/Temporary Employees :			
Total # of Employees:			

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as small group upon renewal.

Minimum Participation Requirements. Employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 25% of the full-time employees must enroll.

This Policy may be terminated by the Company if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

Special Group Considerations Form# 23-2242

Description:\$100 ER co-pay

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Policy and Benefit Certificate.

I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of Arkansas Blue Cross and Blue Shield. **I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

_____ [full legal name of Policyholder]

By: _____ Printed Name
Authorized Signature

Title or Position

2. Agent

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Arkansas Blue Cross and Blue Shield will have no liability until this application has been approved and the premium is received.

_____ I will provide the applicant with a signed copy of this application.

_____ I have emailed the applicant a signed copy of this application.

Agent Signature / Insurance License # / Agency Fed. TaxID #

Agent Printed Name Date



Arkansas
BlueCross BlueShield
An Independent Licensee of the Blue Cross and Blue Shield Association

9/6/2018

Group Name: CITY OF JONESBORO ARKANSAS

300 South Church Street
Jonesboro , AR 72401

Group Number: Proposal-ID : 44411

Dear Group Administrator:

Please be advised that the current benefit you offer (PPO Custom), meets the minimum essential coverage requirements as defined in § 5000A of the Internal Revenue Code (employer-sponsored plan), and provides minimum value within the meaning of § 36B(c)(2)(C)(ii).

Effective 1/1/2019, employers are required by law to inform their employees of coverage options under the new health care law. You will find the compliant notification document at this link :

<https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/coverage-options-notice> . Please distribute copies of this notice to all your employees.

If you have any questions or concerns, please contact your agent or an Arkansas Blue Cross representative. We are happy to help you through the implementation of this new requirement .

SBC

The Patient Protection and Affordable Care Act (PPACA) mandates a Summary of Benefits and Coverage (SBC) document be created for every health insurance plan. An SBC that applies to this plan(s) can be found online at www.arkansasbluecross.com/esbc. After we receive and process your signed contract, you may access the SBC(s) for this plan by going to our SBC locator tool and entering the following unique identifier(s) into the SBC locator:

103397

Groups with more than one plan type may have more than one link. You may download an electronic copy (PDF) of the appropriate SBC(s) to fulfill distribution requirements as mandated by the Patient Protection and Affordable Care Act (PPACA). Copies of your SBC will also be available on Blueprint for Employers. A printed version is available by calling your group service representative.



Renewal APPLICATION by CITY OF JONESBORO ARKANSAS

(hereinafter called "Policyholder")

For a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

GROUP INFORMATION

Legal Name Of Business: CITY OF JONESBORO ARKANSAS

D/B/A : CITY OF JONESBORO ARKANSAS

Street Address: 300 South Church Street

City,State,Zip: Jonesboro,AR,72401

County :Craighead

Mailing Address : (if different from street) P O BOX 1845

City,State,Zip: Jonesboro,AR,72403

Telephone # - 870-933-4640

Fax # -

Fed. Tax I.D # 71-6013749

Exec. Contact : Harold Perrin

E-Mail :

Group Administrator : Dewayne Douglas

E-Mail : ddouglas@jonesboro.org

Primary SIC Code : 9199

SIC Description:General Government, NEC

Business Type : Government

Agent :

Agent's Lic # :

Agent's Company :

Agent's Tax ID :

POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to Arkansas Blue Cross and Blue Shield ("ABCBS"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Policyholder agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then ABCBS may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), ABCBS may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, ABCBS may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

PROXY

The Policyholder hereby appoints the Board of Directors ("Board") of Arkansas Blue Cross and Blue Shield ("ABCBS"), as its proxy to act on its behalf at all meetings of members of ABCBS. This appointment shall include such persons as the Board may designate by resolution to act on its behalf. This proxy gives the Board, or its designee, full power to vote for the Policyholder on all matters that may be voted upon at any meeting. The annual meeting of Members is held each year at the home office of ABCBS located at 601 S. Gaines Street, Little Rock, Arkansas, on the third Monday of March, at 1:00 p.m. If the third Monday of March is a legal holiday, then the meeting will be at the same time and place on the next day after, which is not a legal holiday. A special meeting may be called upon notice mailed not less than ten (10) or more than sixty (60) days prior to such meeting. This proxy, unless revoked, shall remain in effect during the Policyholder's membership in ABCBS. The Policyholder may revoke this proxy in writing by advising ABCBS, attention Legal Division, of such at least five (5) days prior to any meeting. The Policyholder may also revoke its proxy by attending and voting in person at any Member's meeting.

BENEFIT SELECTION

RX ONLY RX only

Requested Effective Date, Pending approval is : 1/1/2019

Waiting Period Note : Effective Date is the first day of the month following the Waiting Period.

Date of Open Enrollment: December

If a month is not specified, the Group's open enrollment will be the month prior to the Group's renewal date.

Class	Class Description	Waiting Period	Contribution	
4	ELECTED OFFICIALS W20 YRS CNT SC-RX	0 Days	Employee 25% Dependent 0%	

Maximum Dependent Age: 26

Mandated Mental Health Parity: False

Prescription Drug Rider Plan: \$15/\$35/\$55 Standard Formulary With Step Therapy Mail Order Drug -2x Copay(100 Days

Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.

RATES - RX only

One Tier Composite	Total Premium
Employee	\$114.23

If there is an agent or broker involved in this coverage transaction they may receive compensation from Arkansas Blue Cross and Blue Shield, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

Grandfather Status - Our records indicate that your health plan is not grandfathered.

Please confirm if you agree with the grandfathered status as indicated above.

Yes, I agree with the status as shown.

No, I disagree with the status as shown because _____

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "WageWorks", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.¹

(Yes__)(No__) **As an employer, are you currently obligated by law to comply with COBRA?**

(Yes__)(No__) **Do you want to use the services of WageWorks?**

(Yes__)(No__) **If yes, are you currently contracting directly with WageWorks?**

1 COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).
2 42 CFR §411.170.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the preceding calendar year. The Public Health Services Act §2791(e) provides

(1) The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

The policyholder is a :

Small Employer _____

Large Employer _____ (if selected please check one of the following)

51-100 Employees _____ 101+ Employees _____

L Policyholder to Distribute and Account for Premium Rebates

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

- 1.For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees's portion of premium for the subsequent policy year;
- 2.For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option , at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
- 4.The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.

5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section. Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

EMPLOYEE INFORMATION

MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Arkansas Blue Cross of proper employee counts for the purpose of determining payment priority between Medicare and Arkansas Blue Cross. Arkansas Blue Cross is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time= means an active employee with a minimum of 30 hrs/week & 48 weeks/year.

	In State	Out Of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling):			
Life ONLY Contracts			
Total Enrolling and Waiving:			
Part Time/Seasonal/Temporary Employees :			
Total # of Employees:			

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as small group upon renewal.

Minimum Participation Requirements. Employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 25% of the full-time employees must enroll.

This Policy may be terminated by the Company if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

Special Group Considerations Form# 23-2232

Description: retiree elected officials RX

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Policy and Benefit Certificate.

I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of Arkansas Blue Cross and Blue Shield. **I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

_____ [full legal name of Policyholder]

By: _____ Printed Name
Authorized Signature

Title or Position

2. Agent

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Arkansas Blue Cross and Blue Shield will have no liability until this application has been approved and the premium is received.

_____ I will provide the applicant with a signed copy of this application.

_____ I have emailed the applicant a signed copy of this application.

Agent Signature / Insurance License # / Agency Fed. TaxID #

Agent Printed Name Date



Blues Enroll

Renewal APPLICATION by CITY OF JONESBORO

(hereinafter called "Policyholder")

For a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

GROUP INFORMATION

Legal Name Of Business: CITY OF JONESBORO

D/B/A : CITY OF JONESBORO CRAIGHEAD LIBRARY

Street Address: 315 W Oak

City,State,Zip: Jonesboro,AR,72401

County :Craighead

Mailing Address : (if different from street) 315 W Oak

City,State,Zip: Jonesboro,AR,72401

Telephone # - 870-933-4640

Fax # -

Fed. Tax I.D # 71-0023849

Exec. Contact : Harold Perrin

E-Mail :

Group Administrator : NANCY DOBBINS

E-Mail : nancy@libraryinjonesboro.org

Primary SIC Code : 8231

SIC Description:Libraries

Business Type : Government

Agent :

Agent's Lic # :

Agent's Company :

Agent's Tax ID :

POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to Arkansas Blue Cross and Blue Shield ("ABCBS"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Policyholder agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then ABCBS may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), ABCBS may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, ABCBS may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

PROXY

The Policyholder hereby appoints the Board of Directors ("Board") of Arkansas Blue Cross and Blue Shield ("ABCBS"), as its proxy to act on its behalf at all meetings of members of ABCBS. This appointment shall include such persons as the Board may designate by resolution to act on its behalf. This proxy gives the Board, or its designee, full power to vote for the Policyholder on all matters that may be voted upon at any meeting. The annual meeting of Members is held each year at the home office of ABCBS located at 601 S. Gaines Street, Little Rock, Arkansas, on the third Monday of March, at 1:00 p.m. If the third Monday of March is a legal holiday, then the meeting will be at the same time and place on the next day after, which is not a legal holiday. A special meeting may be called upon notice mailed not less than ten (10) or more than sixty (60) days prior to such meeting. This proxy, unless revoked, shall remain in effect during the Policyholder's membership in ABCBS. The Policyholder may revoke this proxy in writing by advising ABCBS, attention Legal Division, of such at least five (5) days prior to any meeting. The Policyholder may also revoke its proxy by attending and voting in person at any Member's meeting.

BENEFIT SELECTION**PREFERRED PROVIDER ORGANIZATION (PPO) PPO deductible-**Requested Effective Date, Pending approval is : **1/1/2019****Waiting Period Note** : Effective Date is the first day of the month following the Waiting Period .Date of Open Enrollment: December*If a month is not specified, the Group's open enrollment will be the month prior to the Group's renewal date.*

Class	Class Description	Waiting Period	Contribution
1	FULL TIME	1 Month	Employee 71% Dependent 71%

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age :26

Mandated Mental Health Parity :Yes

Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. **No**

Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.

Deductible : \$600	Deductible CarryOver : No
Family Deductible : 3	Basis : Fulfillment
CoInsurance : 80%/60%	In-Network Calendar Year Coinsurance Max: \$2,000/\$6,000
Family Calendar Year Coinsurance Max: 3	Basis : Fulfillment
Out-of-Network Calendar Year Coinsurance Max:None/None	
Lifetime Maximum: Unlimited	Traditional Wellness
Prescription Drug Rider Plan: \$15/\$35/\$55 Standard Formulary With Step Therapy	
Mail Order Drug -2x Copay(100 Days)	Out Of Pocket Definition : Embedded
<i>Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.</i>	
PPO Optional Benefits:	
Office Visit Copayment - \$35	Maternity - Elected
Supplemental Accidental Endorsement - Declined	ER Copayment -\$100
Blue Card	Inpatient Copay - None

Arkansas Mandated Offer Benefit Riders:**You Must Elect or Reject Each Rider:**

Mammography - Reject	Substance Abuse - Reject
Psychiatric Condition - Reject	TMJ* - Reject
Hearing Aid - Reject	

*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will not include temporomandibular Joint disorders (TMJ) or craniomandibular disorders.

Term Life and AD&D through US Able Life is not Provided

RATES - PPO deductible-

Two Tier Composite	Total Premium
Employee	\$462.21
Family	\$993.01

If there is an agent or broker involved in this coverage transaction they may receive compensation from Arkansas Blue Cross and Blue Shield, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

Grandfather Status - Our records indicate that your health plan is grandfathered.

Please confirm if you agree with the grandfathered status as indicated above.

___ Yes, I agree with the status as shown.

___ No, I disagree with the status as shown because _____

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "WageWorks", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.¹

(Yes__)(No__) **As an employer, are you currently obligated by law to comply with COBRA?**

(Yes__)(No__) **Do you want to use the services of WageWorks?**

(Yes__)(No__) **If yes, are you currently contracting directly with WageWorks?**

¹ COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).
2 42 CFR §411.170.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the preceding calendar year. The Public Health Services Act §2791(e) provides

(1) The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

The policyholder is a :

Small Employer _____

Large Employer _____ (if selected please check one of the following)

51-100 Employees _____ 101+ Employees _____

L Policyholder to Distribute and Account for Premium Rebates

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall handle the rebate payment in accordance with the applicable provisions of Employee Retirement Income Security Act of 1974

(ERISA). Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

EMPLOYEE INFORMATION**MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS**

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Arkansas Blue Cross of proper employee counts for the purpose of determining payment priority between Medicare and Arkansas Blue Cross. Arkansas Blue Cross is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time= means an active employee with a minimum of 30 hrs/week & 48 weeks/year.

	In State	Out Of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling):			
Life ONLY Contracts			
Total Enrolling and Waiving:			
Part Time/Seasonal/Temporary Employees :			
Total # of Employees:			

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as small group upon renewal.

Minimum Participation Requirements. Employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 25% of the full-time employees must enroll.

This Policy may be terminated by the Company if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Policy and Benefit Certificate.

I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of Arkansas Blue Cross and Blue Shield. **I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

_____ [full legal name of Policyholder]

By: _____ Printed Name
Authorized Signature

_____ Title or Position

2. Agent

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Arkansas Blue Cross and Blue Shield will have no liability until this application has been approved and the premium is received.

_____ I will provide the applicant with a signed copy of this application.

_____ I have emailed the applicant a signed copy of this application.

Agent Signature / Insurance License # / Agency Fed. TaxID #

_____ Date
Agent Printed Name



Arkansas
BlueCross BlueShield
An Independent Licensee of the Blue Cross and Blue Shield Association

9/6/2018

Group Name: CITY OF JONESBORO CRAIGHEAD LIBRARY

315 W Oak
Jonesboro , AR 72401

Group Number: Proposal-ID : 44411

Dear Group Administrator:

Please be advised that the current benefit you offer (PPO Custom), meets the minimum essential coverage requirements as defined in § 5000A of the Internal Revenue Code (employer-sponsored plan), and provides minimum value within the meaning of § 36B(c)(2)(C)(ii).

Effective 1/1/2019, employers are required by law to inform their employees of coverage options under the new health care law. You will find the compliant notification document at this link :

<https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/coverage-options-notice> . Please distribute copies of this notice to all your employees.

If you have any questions or concerns, please contact your agent or an Arkansas Blue Cross representative. We are happy to help you through the implementation of this new requirement .

SBC

The Patient Protection and Affordable Care Act (PPACA) mandates a Summary of Benefits and Coverage (SBC) document be created for every health insurance plan. An SBC that applies to this plan(s) can be found online at www.arkansasbluecross.com/esbc. After we receive and process your signed contract, you may access the SBC(s) for this plan by going to our SBC locator tool and entering the following unique identifier(s) into the SBC locator:

103395

Groups with more than one plan type may have more than one link. You may download an electronic copy (PDF) of the appropriate SBC(s) to fulfill distribution requirements as mandated by the Patient Protection and Affordable Care Act (PPACA). Copies of your SBC will also be available on Blueprint for Employers. A printed version is available by calling your group service representative.



Renewal APPLICATION by CITY OF JONESBORO

(hereinafter called "Policyholder")

For a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

GROUP INFORMATION

Legal Name Of Business: CITY OF JONESBORO

D/B/A : CITY OF JONESBORO MUNICIPAL AIRPORT

Street Address: 4116 LINBERGH DRIVE

City, State, Zip: Jonesboro, AR, 72401

County : Craighead

Mailing Address : (if different from street) PO Box 1293

City, State, Zip: Jonesboro, AR, 72403

Telephone # - 870-933-4640

Fax # -

Fed. Tax I.D # 71-0028290

Exec. Contact : Harold Perrin

E-Mail :

Group Administrator : DEWAYNE DOUGLAS

E-Mail : DDOUGLAS@JONESBORO.ORG

Primary SIC Code : 9199

SIC Description: General Government, NEC

Business Type : Government

Agent :

Agent's Lic # :

Agent's Company :

Agent's Tax ID :

POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to Arkansas Blue Cross and Blue Shield ("ABCBS"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Policyholder agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then ABCBS may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), ABCBS may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, ABCBS may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

PROXY

The Policyholder hereby appoints the Board of Directors ("Board") of Arkansas Blue Cross and Blue Shield ("ABCBS"), as its proxy to act on its behalf at all meetings of members of ABCBS. This appointment shall include such persons as the Board may designate by resolution to act on its behalf. This proxy gives the Board, or its designee, full power to vote for the Policyholder on all matters that may be voted upon at any meeting. The annual meeting of Members is held each year at the home office of ABCBS located at 601 S. Gaines Street, Little Rock, Arkansas, on the third Monday of March, at 1:00 p.m. If the third Monday of March is a legal holiday, then the meeting will be at the same time and place on the next day after, which is not a legal holiday. A special meeting may be called upon notice mailed not less than ten (10) or more than sixty (60) days prior to such meeting. This proxy, unless revoked, shall remain in effect during the Policyholder's membership in ABCBS. The Policyholder may revoke this proxy in writing by advising ABCBS, attention Legal Division, of such at least five (5) days prior to any meeting. The Policyholder may also revoke its proxy by attending and voting in person at any Member's meeting.

BENEFIT SELECTION**PREFERRED PROVIDER ORGANIZATION (PPO) PPO \$600 deductible**Requested Effective Date, Pending approval is : **1/1/2019****Waiting Period Note** : Effective Date is the first day of the month following the Waiting Period .Date of Open Enrollment: December*If a month is not specified, the Group's open enrollment will be the month prior to the Group's renewal date.*

Class	Class Description	Waiting Period	Contribution
1	ALL FULL TIME EMPLOYEES	1 Month	Employee 71% Dependent 71%

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age :26

Mandated Mental Health Parity :Yes

Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. **No**

Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.

Deductible : \$600	Deductible CarryOver : No
Family Deductible : 3	Basis : Fulfillment
Coinsurance : 80%/60%	In-Network Calendar Year Coinsurance Max: \$2,000/\$6,000
Family Calendar Year Coinsurance Max: 3	Basis : Fulfillment
Out-of-Network Calendar Year Coinsurance Max:None/None	
Lifetime Maximum: Unlimited	Traditional Wellness
Prescription Drug Rider Plan: \$15/\$35/\$55 Standard Formulary With Step Therapy	
Mail Order Drug -2x Copay(100 Days)	Out Of Pocket Definition : Embedded
<i>Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.</i>	
PPO Optional Benefits:	
Office Visit Copayment - \$35	Maternity - Elected
Supplemental Accidental Endorsement - Declined	ER Copayment -\$100
Blue Card	Inpatient Copay - None

Arkansas Mandated Offer Benefit Riders:**You Must Elect or Reject Each Rider:**

Mammography - Reject	Substance Abuse - Reject
Psychiatric Condition - Reject	TMJ* - Reject
Hearing Aid - Reject	

*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will not include temporomandibular Joint disorders (TMJ) or craniomandibular disorders.

Term Life and AD&D through US Able Life is not Provided

RATES - PPO \$600 deductible

Two Tier Composite	Total Premium
Employee	\$462.21
Family	\$993.01

If there is an agent or broker involved in this coverage transaction they may receive compensation from Arkansas Blue Cross and Blue Shield, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

Grandfather Status - Our records indicate that your health plan is grandfathered.

Please confirm if you agree with the grandfathered status as indicated above.

___ Yes, I agree with the status as shown.

___ No, I disagree with the status as shown because _____

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "WageWorks", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.¹

(Yes__)(No__) **As an employer, are you currently obligated by law to comply with COBRA?**

(Yes__)(No__) **Do you want to use the services of WageWorks?**

(Yes__)(No__) **If yes, are you currently contracting directly with WageWorks?**

1 COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).
2 42 CFR §411.170.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the preceding calendar year. The Public Health Services Act §2791(e) provides

(1) The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

The policyholder is a :

Small Employer _____

Large Employer _____ (if selected please check one of the following)

51-100 Employees _____ 101+ Employees _____

L Policyholder to Distribute and Account for Premium Rebates

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

- 1.For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees' portion of premium for the subsequent policy year;
- 2.For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option , at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
- 4.The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.

5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section. Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

EMPLOYEE INFORMATION

MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Arkansas Blue Cross of proper employee counts for the purpose of determining payment priority between Medicare and Arkansas Blue Cross. Arkansas Blue Cross is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time= means an active employee with a minimum of 30 hrs/week & 48 weeks/year.

	In State	Out Of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling):			
Life ONLY Contracts			
Total Enrolling and Waiving:			
Part Time/Seasonal/Temporary Employees :			
Total # of Employees:			

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as small group upon renewal.

Minimum Participation Requirements. Employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 25% of the full-time employees must enroll.

This Policy may be terminated by the Company if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

Special Group Considerations Form# 23-2186 Description: no deductible carryover
 Special Group Considerations Form# 23-2242 Description: \$100 ER co-pay

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Policy and Benefit Certificate.

I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of Arkansas Blue Cross and Blue Shield. **I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

_____ [full legal name of Policyholder]

By: _____ Printed Name
Authorized Signature

_____ Title or Position

2. Agent

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Arkansas Blue Cross and Blue Shield will have no liability until this application has been approved and the premium is received.

_____ I will provide the applicant with a signed copy of this application.

_____ I have emailed the applicant a signed copy of this application.

Agent Signature / Insurance License # / Agency Fed. TaxID #

_____ Date
Agent Printed Name



Arkansas
BlueCross BlueShield
An Independent Licensee of the Blue Cross and Blue Shield Association

9/6/2018

Group Name: CITY OF JONESBORO MUNICIPAL AIRPORT

4116 LINBERGH DRIVE
Jonesboro , AR 72401

Group Number: Proposal-ID : 42690

Dear Group Administrator:

Please be advised that the current benefit you offer (PPO Custom), meets the minimum essential coverage requirements as defined in § 5000A of the Internal Revenue Code (employer-sponsored plan), and provides minimum value within the meaning of § 36B(c)(2)(C)(ii).

Effective 1/1/2019, employers are required by law to inform their employees of coverage options under the new health care law. You will find the compliant notification document at this link :

<https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/coverage-options-notice> . Please distribute copies of this notice to all your employees.

If you have any questions or concerns, please contact your agent or an Arkansas Blue Cross representative. We are happy to help you through the implementation of this new requirement .

SBC

The Patient Protection and Affordable Care Act (PPACA) mandates a Summary of Benefits and Coverage (SBC) document be created for every health insurance plan. An SBC that applies to this plan(s) can be found online at www.arkansasbluecross.com/esbc. After we receive and process your signed contract, you may access the SBC(s) for this plan by going to our SBC locator tool and entering the following unique identifier(s) into the SBC locator:

103380

Groups with more than one plan type may have more than one link. You may download an electronic copy (PDF) of the appropriate SBC(s) to fulfill distribution requirements as mandated by the Patient Protection and Affordable Care Act (PPACA). Copies of your SBC will also be available on Blueprint for Employers. A printed version is available by calling your group service representative.



Renewal APPLICATION by CITY OF JONESBORO

(hereinafter called "Policyholder")

For a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

GROUP INFORMATION

Legal Name Of Business: CITY OF JONESBORO

D/B/A : CITY OF JONESBORO URBAN RENEWAL HOUSING

Street Address: 330 UNION STREET

City,State,Zip: Jonesboro,AR,72401

County :Craighead

Mailing Address : (if different from street) 330 Union Street

City,State,Zip: Jonesboro,AR,72401

Telephone # - 870-935-9800

Fax # -

Fed. Tax I.D # 71-0024703

Exec. Contact : Harold Perrin

E-Mail :

Group Administrator : JANICE RICHMOND

E-Mail : janiceg@jurha.org

Primary SIC Code : 9199

SIC Description:General Government, NEC

Business Type : Government

Agent :

Agent's Lic # :

Agent's Company :

Agent's Tax ID :

POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to Arkansas Blue Cross and Blue Shield ("ABCBS"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Policyholder agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then ABCBS may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), ABCBS may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, ABCBS may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

PROXY

The Policyholder hereby appoints the Board of Directors ("Board") of Arkansas Blue Cross and Blue Shield ("ABCBS"), as its proxy to act on its behalf at all meetings of members of ABCBS. This appointment shall include such persons as the Board may designate by resolution to act on its behalf. This proxy gives the Board, or its designee, full power to vote for the Policyholder on all matters that may be voted upon at any meeting. The annual meeting of Members is held each year at the home office of ABCBS located at 601 S. Gaines Street, Little Rock, Arkansas, on the third Monday of March, at 1:00 p.m. If the third Monday of March is a legal holiday, then the meeting will be at the same time and place on the next day after, which is not a legal holiday. A special meeting may be called upon notice mailed not less than ten (10) or more than sixty (60) days prior to such meeting. This proxy, unless revoked, shall remain in effect during the Policyholder's membership in ABCBS. The Policyholder may revoke this proxy in writing by advising ABCBS, attention Legal Division, of such at least five (5) days prior to any meeting. The Policyholder may also revoke its proxy by attending and voting in person at any Member's meeting.

BENEFIT SELECTION**PREFERRED PROVIDER ORGANIZATION (PPO) PPO \$600 deductible_**Requested Effective Date, Pending approval is : **1/1/2019****Waiting Period Note** : Effective Date is the first day of the month following the Waiting Period .Date of Open Enrollment: December*If a month is not specified, the Group's open enrollment will be the month prior to the Group's renewal date.*

Class	Class Description	Waiting Period	Contribution
1	FULL TIME	1 Month	Employee 71% Dependent 71%

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age :26

Mandated Mental Health Parity :Yes

Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. **No**

Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.

Deductible : \$600	Deductible CarryOver : No
Family Deductible : 3	Basis : Fulfillment
CoInsurance : 80%/60%	In-Network Calendar Year Coinsurance Max: \$2,000/\$6,000
Family Calendar Year Coinsurance Max: 3	Basis : Fulfillment
Out-of-Network Calendar Year Coinsurance Max:None/None	
Lifetime Maximum: Unlimited	Traditional Wellness
Prescription Drug Rider Plan: \$15/\$35/\$55 Standard Formulary With Step Therapy	
Mail Order Drug -2x Copay(100 Days)	Out Of Pocket Definition : Embedded
<i>Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.</i>	
PPO Optional Benefits:	
Office Visit Copayment - \$35	Maternity - Elected
Supplemental Accidental Endorsement - Declined	ER Copayment -\$100
Blue Card	Inpatient Copay - None

Arkansas Mandated Offer Benefit Riders:**You Must Elect or Reject Each Rider:**

Mammography - Reject	Substance Abuse - Reject
Psychiatric Condition - Reject	TMJ* - Reject
Hearing Aid - Reject	

*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will not include temporomandibular Joint disorders (TMJ) or craniomandibular disorders.

Term Life and AD&D through US Able Life is not Provided

RATES - PPO \$600 deductible_

Two Tier Composite	Total Premium
Employee	\$462.21
Family	\$993.01

If there is an agent or broker involved in this coverage transaction they may receive compensation from Arkansas Blue Cross and Blue Shield, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

Grandfather Status - Our records indicate that your health plan is grandfathered.

Please confirm if you agree with the grandfathered status as indicated above.

___ Yes, I agree with the status as shown.

___ No, I disagree with the status as shown because _____

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "WageWorks", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.¹

(Yes__)(No__) **As an employer, are you currently obligated by law to comply with COBRA?**

(Yes__)(No__) **Do you want to use the services of WageWorks?**

(Yes__)(No__) **If yes, are you currently contracting directly with WageWorks?**

1 COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).
2 42 CFR §411.170.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the preceding calendar year. The Public Health Services Act §2791(e) provides

(1) The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

The policyholder is a :

Small Employer _____

Large Employer _____ (if selected please check one of the following)

51-100 Employees _____ 101+ Employees _____

L Policyholder to Distribute and Account for Premium Rebates

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

- 1.For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees' portion of premium for the subsequent policy year;
- 2.For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option , at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
- 4.The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.

5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section. Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

EMPLOYEE INFORMATION

MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Arkansas Blue Cross of proper employee counts for the purpose of determining payment priority between Medicare and Arkansas Blue Cross. Arkansas Blue Cross is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time= means an active employee with a minimum of 30 hrs/week & 48 weeks/year.

	In State	Out Of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling):			
Life ONLY Contracts			
Total Enrolling and Waiving:			
Part Time/Seasonal/Temporary Employees :			
Total # of Employees:			

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as small group upon renewal.

Minimum Participation Requirements. Employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 25% of the full-time employees must enroll.

This Policy may be terminated by the Company if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

Special Group Considerations Form# 23-2186

Description: No Deductible Carryover

Special Group Considerations Form# 23-2432

Description: Contin for City Cnsl Mbrs & Elect Officials

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Policy and Benefit Certificate.

I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of Arkansas Blue Cross and Blue Shield. **I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

_____ [full legal name of Policyholder]

By: _____ Printed Name
Authorized Signature

Title or Position

2. Agent

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Arkansas Blue Cross and Blue Shield will have no liability until this application has been approved and the premium is received.

_____ I will provide the applicant with a signed copy of this application.

_____ I have emailed the applicant a signed copy of this application.

Agent Signature / Insurance License # / Agency Fed. TaxID #

Agent Printed Name Date



Arkansas
BlueCross BlueShield
An Independent Licensee of the Blue Cross and Blue Shield Association

9/6/2018

Group Name: CITY OF JONESBORO URBAN RENEWAL HOUSING

330 UNION STREET
Jonesboro , AR 72401

Group Number: Proposal-ID : 44411

Dear Group Administrator:

Please be advised that the current benefit you offer (PPO Custom), meets the minimum essential coverage requirements as defined in § 5000A of the Internal Revenue Code (employer-sponsored plan), and provides minimum value within the meaning of § 36B(c)(2)(C)(ii).

Effective 1/1/2019, employers are required by law to inform their employees of coverage options under the new health care law. You will find the compliant notification document at this link :

<https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/coverage-options-notice> . Please distribute copies of this notice to all your employees.

If you have any questions or concerns, please contact your agent or an Arkansas Blue Cross representative. We are happy to help you through the implementation of this new requirement .

SBC

The Patient Protection and Affordable Care Act (PPACA) mandates a Summary of Benefits and Coverage (SBC) document be created for every health insurance plan. An SBC that applies to this plan(s) can be found online at www.arkansasbluecross.com/esbc. After we receive and process your signed contract, you may access the SBC(s) for this plan by going to our SBC locator tool and entering the following unique identifier(s) into the SBC locator:

103396

Groups with more than one plan type may have more than one link. You may download an electronic copy (PDF) of the appropriate SBC(s) to fulfill distribution requirements as mandated by the Patient Protection and Affordable Care Act (PPACA). Copies of your SBC will also be available on Blueprint for Employers. A printed version is available by calling your group service representative.



Legislation Details (With Text)

File #:	RES-18:165	Version:	1	Name:	AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE SHORT TERM AND LONG TERM DISABILITY INSURANCE TO CITY OF JONESBORO EMPLOYEES
Type:	Resolution	Status:		Status:	To Be Introduced
File created:	10/3/2018	In control:		In control:	Finance & Administration Council Committee
On agenda:		Final action:		Final action:	
Title:	A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE SHORT TERM AND LONG TERM DISABILITY INSURANCE TO CITY OF JONESBORO EMPLOYEES				
Sponsors:	Human Resources				
Indexes:	Employee benefits				
Code sections:					
Attachments:	Exhibit A				

Date	Ver.	Action By	Action	Result
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A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE SHORT TERM AND LONG TERM DISABILITY INSURANCE TO CITY OF JONESBORO EMPLOYEES

WHEREAS, The City of Jonesboro offers Short Term and Long Term Disability as a voluntary benefit for employees; and

WHEREAS, American Fidelity Assurance Company has proposed to provide this coverage for 2019 and details of this proposal are attached as Exhibit A.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL, FOR THE CITY OF JONESBORO, ARKANSAS, THAT:

SECTION 1: The coverage proposal provided by American Fidelity Assurance Company is approved.

SECTION 2: The effective dates of coverage shall be January 1, 2019 through December 31, 2019.

SECTION 3: The Mayor and City Clerk are hereby authorized to execute such documents as are necessary to effectuate this agreement.

Disability Income Insurance Proposal

Prepared for:

Presented by:

At American Fidelity Assurance Company, we understand employers have a choice when it comes to selecting a benefits provider. We work hard to ensure every customer experience an employer and their employees have with us is a positive one. Our dedicated focus on the [education community] means that we are committed to understanding the benefit landscape for [education employees], [how state plans work], state retirement benefits, and how these create specific needs for both younger employees and those looking to retire in the near future.

Consider the Facts

68% of Americans would find it very difficult or somewhat difficult to meet their current financial obligations if their next paycheck were delayed for one week.

Council for Disability Awareness: Chances of Disability. Web. 19 Dec. 2016.

Accidents are not usually the culprit of disability. Back injuries, cancer, heart disease, and other illnesses cause the majority of long-term absences.

Council for Disability Awareness: Chances of Disability. Web. 19 Dec. 2016.

A 20-year-old worker has a 25% chance of becoming disabled before reaching full retirement age.

Council for Disability Awareness: Six Frequently Asked Questions Concerning Disability Insurance. December 23, 2016.



Proposal Prepared on:

Proposed Effective Date:

Short Term Disability

Eligibility Requirements

All permanent employees

Disability Plan Benefits

Benefit Schedule	Choice of benefit amount in increments of \$100, from \$500 to \$10,000
Maximum Monthly Benefit	Not to exceed 60% of monthly earnings
Minimum Monthly Benefit	\$100 or 10%, whichever is greater
Elimination Period Injury/Sickness	14 or 30 Days
Maximum Benefit Period	180 Days
Guarantee Issue Amount	\$4,000
Minimum Participation	Greater of 20% or 10 lives
Own Occupation Period	Same as the benefit period
Pre-existing Condition Period	12/12
Mental & Nervous Limitation	Same as any other Sickness
Drug & Alcohol Limitation	15 days

Plan Rates per \$10 of covered weekly benefit 14 Day Elimination Period

Ages 0 – 24	Ages 25 – 29	Ages 30 – 34	Ages 35 – 39	Ages 40 – 44	Ages 45 – 49	Ages 50 – 54	Ages 55 – 59	Ages 60 – 64	Ages 65 - 99
\$0.54	\$0.54	\$0.54	\$0.54	\$0.64	\$0.64	\$0.92	\$0.92	\$1.28	\$1.28

30 Day Elimination Period

Ages 0 – 24	Ages 25 – 29	Ages 30 – 34	Ages 35 – 39	Ages 40 – 44	Ages 45 – 49	Ages 50 – 54	Ages 55 – 59	Ages 60 – 64	Ages 65 - 99
\$0.38	\$0.38	\$0.38	\$0.38	\$0.55	\$0.55	\$0.81	\$0.81	\$1.10	\$1.10

60 day notice of rate change

Disability Plan Riders

- A critical illness rider can help fill holes left by high deductible medical plans, it is guarantee issue up to \$10,000 and does not require you to satisfy your disability elimination period to qualify for benefits.
- The hospital indemnity rider can pay a benefit of up to \$150 a day and also does not require you to satisfy your disability elimination period to qualify for Benefits.
- We also offer optional disability coverage for a spouse.

Short Term Disability

Disability Plan Highlights

- Benefits are paid directly to insured, not to a doctor or employer
- Convenient payroll deduction
- Benefit payments may be directly deposited into banking account
- Benefits are paid due to covered Injury or Sickness
- Benefits are payable year-round
- Secure online billing system available for your convenience
- Employees can file a claim, track the status of a claim, upload documentation and setup push notifications all within the AFMobile app available in the iTunes App store or Google Play store

Valuable Benefits Include

- Pregnancy Benefit
- Donor Benefit
- Worksite Accommodation Benefit Evaluation
- Social Security Filing Assistance
- Physician Expense Benefit Available up to \$150 for Injury Up to 8 times per Year
- Accidental Death Benefit \$10,000 Flat Amount if within 90 days of Covered Disability
- Conversion Option

Underwriting Guidelines

- Guaranteed Issue underwriting allows an applicant, regardless of health history, to be guaranteed disability coverage when they are first eligible
- For all new groups, Monthly Indemnity amounts above the Guarantee Issue limit will be Subject to Health Questions.
- Monthly indemnity amounts may be increased up to \$400 annually without health questions.
- All increases in monthly indemnity will be subject to a new Pre-Existing Condition Limitation.
- Takeover Credit for a prior carrier is available upon request/approval from American Fidelity.

Learn More

For additional information about American Fidelity Assurance Company, click here: <https://americanfidelity.com/about-af/>

Long Term Disability

Eligibility Requirements

All permanent employees

Disability Plan Benefits

Benefit Schedule	Choice of benefit amount in increments of \$100, from \$500 to \$10,000, not to exceed a maximum monthly salary of \$16,667.
Maximum Monthly Benefit	Not to exceed 60% of monthly earnings
Minimum Monthly Benefit	\$100 or 10%, whichever is greater
Elimination Period Injury/Sickness	180 Days
Maximum Benefit Period	Up to Social Security Normal Retirement Age (SSNRA) for Injury and Sickness
Guarantee Issue Amount	\$4,000
Minimum Participation	Greater of 20% or 10 lives
Own Occupation Period	24 Months
Disabled and Working	Included
Pre-existing Condition Period	12/12
Mental & Nervous Limitation	24 months
Drug & Alcohol Limitation	15 days
Special Conditions Limitations	12 months

Plan Rates per \$100 of covered monthly salary

Ages 0 - 24	Ages 25 - 29	Ages 30 - 34	Ages 35 - 39	Ages 40 - 44	Ages 45-49	Ages 50 - 54	Ages 55 - 59	Ages 60 - 64	Ages 65 - 69	Ages 70 - 99
\$0.46	\$0.46	\$0.46	\$0.46	\$1.66	\$1.66	\$2.92	\$2.92	\$3.84	\$3.84	\$3.84

60 day notice of rate change

Disability Plan Riders

- A critical illness rider can help fill holes left by high deductible medical plans, it is guarantee issue up to \$10,000 and doesn't require you to satisfy your disability elimination period to qualify for benefits.
- The hospital indemnity rider can pay a benefit of up to \$150 a day and also does not require you to satisfy your disability elimination period to qualify for Benefits.
- We also offer optional disability coverage for a spouse, a survivor benefit rider and a COBRA rider which can help cover the cost of medical COBRA premiums.

Long Term Disability

Disability Plan Highlights

- Benefits are paid directly to insured, not to a doctor or employer
- Convenient payroll deduction
- Benefit payments may be directly deposited into banking account
- Benefits are paid due to covered Injury or Sickness
- Benefits are payable year-round
- Secure online billing system available for your convenience
- Employees can file a claim, track the status of a claim, upload documentation and setup push notifications all within the AFMobile app available in the iTunes App store or Google Play store

Valuable Benefits Include

- Pregnancy Benefit
- Donor Benefit
- Worksite Accommodation Benefit Evaluation
- Social Security Filing Assistance
- Physician Expense Benefit Available up to \$150 for Injury Up to 8 times per Year
- Accidental Death Benefit \$10,000 Flat Amount if within 90 days of Covered Disability
- Waiver of Premium 180 Days
- Conversion Option
- American Fidelity Offers an Employee Assistance Program for Disability Insureds. This program includes (3) Confidential Telephonic Coaching sessions per issue per person, 24/7 Online and mobile app resources that provide access to libraries with more than legal and financial topics, and work-life library to address issues on parenting, child care, and workplace issues.

Underwriting Guidelines

- Guaranteed Issue underwriting allows an applicant, regardless of health history, to be guaranteed disability coverage when they are first eligible
- For all new groups, Monthly Indemnity amounts above the Guarantee Issue limit will be Subject to Health Questions.
- Monthly indemnity amounts may be increased up to \$400 annually without health questions.
- All increases in monthly indemnity will be subject to a new Pre-Existing Condition Limitation.
- Takeover Credit for a prior carrier is available upon request/approval from American Fidelity.

Learn More

For additional information about American Fidelity Assurance Company, click here: <https://americanfidelity.com/about-af/>



Legislation Details (With Text)

File #:	RES-18:173	Version:	1	Name:	AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE A FLEXIBLE COMPENSATION PLAN TO CITY OF JONESBORO EMPLOYEES
Type:	Resolution	Status:		Status:	To Be Introduced
File created:	10/24/2018	In control:		In control:	Finance & Administration Council Committee
On agenda:		Final action:		Final action:	
Title:	A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE A FLEXIBLE COMPENSATION PLAN TO CITY OF JONESBORO EMPLOYEES				
Sponsors:	Human Resources				
Indexes:	Employee benefits				
Code sections:					
Attachments:	Exhibit A				

Date	Ver.	Action By	Action	Result
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A RESOLUTION TO ENTER INTO AN AGREEMENT WITH AMERICAN FIDELITY ASSURANCE COMPANY TO PROVIDE A FLEXIBLE COMPENSATION PLAN TO CITY OF JONESBORO EMPLOYEES

WHEREAS, The City of Jonesboro offers a flexible compensation plan as a voluntary benefit for employees; and

WHEREAS, American Fidelity Assurance Company has proposed to provide this coverage for 2019 and details of this proposal are attached as Exhibit A.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL, FOR THE CITY OF JONESBORO, ARKANSAS, THAT:

SECTION 1: The coverage proposal provided by American Fidelity Assurance Company is approved.

SECTION 2: The effective dates of coverage shall be January 1, 2019 through December 31, 2019.

SECTION 3: The Mayor and City Clerk are hereby authorized to execute such documents as are necessary to effectuate this agreement.



Summary Plan Description

Note to Employer: The United States Department of Labor requires this summary or a copy of it be given to eligible employees.

Plan Sponsor (Employer), Plan Administrator and Agent for Legal Service

Trever L Harvey
City of Jonesboro

300 South Church

Jonesboro AR 72401

Plan Administrator accepts service of legal process.

Phone Number: 870-932-0820 ext. 1201

Plan Number:

Federal Tax ID: 71-6013749

Employer's Plan Name: Flexible Compensation Plan for City of Jonesboro

Plan Year: 01/01/2018 - 12/31/2018

Medical FSA Carryover Maximum: \$500.00

Runout End Date: 06/13/2019

Client TASC ID: 4102-3696-6576

Group Name: City of Jonesboro

PURPOSE

Your Employer has adopted this Flexible Compensation Plan to allow you to select from among benefit options made available under the Flexible Compensation Plan and pay for the selected benefits for yourself, your spouse, and your dependents via pre-taxed salary reduction contributions. You may choose from these "tax free" benefits in lieu of receiving taxable compensation. The Plan is intended to qualify as a "Cafeteria Plan" within the meaning of Section 125(d) of the Internal Revenue Code, and the benefits you elect will be excluded from your income under Section 125(a).

BENEFITS OFFERED TO EMPLOYEES:

	Maximum Participant Salary Reduction	Grace Period End Date
Dependent Care Expenses	\$ 5000.00	03/15/2019
Supplemental Premiums	Offered	N/A
Medical or Medical-Related Premiums	Offered	N/A
Medical (Out-of-Pocket) Expenses	\$ 2650.00	N/A

This Flexible Compensation Plan allows you to reduce your taxable income in direct proportion to (a) your contribution to the cost of your elected benefits and (b) your contribution to any account based tax advantaged plan or fringe benefit plan offered by your Employer that is governed by the Internal Revenue Service (IRS) Code.

ELIGIBILITY REQUIREMENTS: The benefits offered above are available to the following employees as stipulated below:

Participant Entry Period

Upon Eligibility

Probationary Employees

1st of Month after 30 days of employment

This Plan defines a Plan-eligible employee to be an individual classified by the Employer as a common-law employee who is on the Employer's W-2 payroll. Employees do not include self-employed individuals, partners in a partnership, or more-than-2% shareholders in a Subchapter S corporation.

Existing Employees. If you are employed by the Employer on the Plan's effective date, you shall be eligible to participate on the later of the Plan's Effective Date or on the date you satisfy the Eligibility Requirements stated above.

New Employees. If your employment begins after the Plan's Effective Date, you will be eligible to participate on the entry date noted above for Probationary Employees, following the date you satisfy the Eligibility Requirement stated above.

Re-employment of Former Employees.

Same as new hires.

Age Requirement. No maximum age requirement may be imposed for participation in the Plan.

GENERAL INFORMATION

This Flexible Compensation Plan allows you to pay your cost for the benefit plans you elected that are sponsored by your Employer through a Salary Reduction Agreement. This lowers your federal and state taxes. Under this Flexible Compensation Plan two types of benefit plans offered by your Employer may be funded by your salary reduction: premium benefits and reimbursement benefits. Premium benefits are the actual payments made to secure your participation in insurance plans. These are payments made from your Employer's general assets to an insurance company or a third-party administrator. Reimbursement benefits are benefits paid under an agreement to reduce your salary by the amount you elected to defer and pay you tax free benefits for certain qualified medical and dependent care expenses, as authorized under the Internal Revenue Code.

Administration. Your Employer or appointed Plan Administrator is responsible for the administration of your Employer Sponsored General Welfare Plans. Should you need to see any records or have any questions regarding these Plans, contact the Plan Administrator. The Plan Administrator has sole discretionary authority (a) to interpret the Plan in order to make eligibility and benefit determinations, and (b) to make factual determinations as to whether any individual is eligible and entitled to receive any benefits under the Plan. A health insurance issuer is not responsible for the Plan's administration (including payment of claims).

The Plan Administrator appoints TASC as a Service Provider to maintain certain Plan records and to be responsible for the Plan's day-to-day administration. TASC is not a Plan Administrator and has no discretionary authority regarding the Plan.

Plan Termination or Amendment. The Employer, or appointed Plan Administrator, has the right, in its sole discretion, to terminate the Plan or to modify or amend any provision of the Plan at any time. Upon the termination or partial termination of the Plan, Participants have no Plan benefits except with respect to covered events giving rise to benefits occurring prior to the date of Plan termination or partial termination, except as otherwise expressly provided in writing by the Employer.

Excess Payments. Upon any benefit payment made to a Participant in error under the Plan, said Participant will be informed and required to repay the errant amount. This includes and is not limited to amounts over the Participant's annual election, amounts for services that are determined to be ineligible, or when adequate documentation to substantiate a paid claim upon request is not provided. The Employer may take reasonable steps to recoup such an amount including withholding the amount from future salary or wages, and subtracting from future benefit reimbursement(s) the amount paid in error.

TASC · 2302 International Lane · Madison, WI 53704-3140 · 800-422-4661 · Fax 608-245-3623 · www.tasconline.com

No Continued Employment. No provisions either of the Plan or of this Summary shall grant any employee any rights of continued employment with the Employer or shall in any way prohibit changes in the terms of employment of any employee covered by the Plan.

Non-Assignment Of Benefits. No Participant or beneficiary may transfer, assign or pledge any Plan benefits except as may be required pursuant to (a) a “Qualified Medical Child Support Order” (which provides for Plan coverage for an alternate recipient), (b) other applicable law, or (c) electronic payment made directly to a healthcare provider.

CONTRIBUTIONS AND ENROLLMENT

Participant Contributions. By participating in the Plan, you agree to have your annual compensation reduced by the total cost of the Plan benefits you elected.

Employer Contributions and Enrollment Elections. At its election, your Employer may pay part of the insurance premiums or other qualified benefits made available through this Plan. The annual enrollment materials will include: (1) the amount of any Employer contributions for the various Plans offered by the Employer that allow you to make pre-tax contributions, (2) the rules defining how the Employer contributions may be used, and (3) the enrollment procedures to make annual elections for your pretax contributions. These enrollment materials are incorporated in this Summary Plan Description by reference.

The various benefit plans offered by your Employer may operate under different plan years. For instance, an Employer may enter into an annual contract with an insurance company (to provide benefits to employees) under a contract year that differs from the Plan Year established for this Flexible Compensation Plan. If this is the case, different Plan benefit entry dates will apply.

If you are not eligible to participate in this Plan but are allowed to participate in another benefit plan offered by your Employer, under the eligibility terms of that Plan, your costs will be paid with taxable income, and your compensation will not be reduced by the Employer.

BENEFITS AND QUALIFYING CHANGE IN STATUS EVENTS

The laws governing Flexible Compensation Plans generally do not allow you to change your benefit and contribution elections during a Plan Year (except for Health Savings Account plans; see below). Your elections are irrevocable and any balance in your account at the close of the Plan Year is forfeited and becomes the property of your Employer (refer to your open enrollment materials if your Plan has a Grace Period or a Carryover); this irrevocable election rule does not apply if you experience a qualifying change in status event, in which case the election change requested must be on account of and consistent with the qualifying event.

Any request to change your election must be submitted in writing within 30 days of any applicable qualifying event. The new benefit elections may start only after your change in status has taken place and the new paperwork has been filed.

A qualifying change in status event may be one of the following:

A change in legal marital status (marriage, death of spouse, divorce, legal separation and annulment).

The adoption, birth, or death of a child or dependent.

Dependent satisfies or ceases to satisfy dependent eligibility requirements.

The change in employment status of you, your spouse or dependent.

Change in your residence.*

Beginning or ending adoption proceedings.

Automatic changes upon cost increases or decreases.*

Significant cost increases.*

Significant curtailment of coverage.*

Addition or elimination of similar benefits package option.*

Change in coverage of a spouse or dependent under an employer plan.*

FMLA.

HIPAA special enrollment rights.*

COBRA qualifying event.

Loss of group health coverage sponsored by governmental or education institution.*

A judgment, decree or order requiring coverage for a spouse or child.

Medicare or Medicaid entitlement.

Termination of Medicaid or State Children’s Health Insurance Program (SCHIP) coverage.*

Eligibility for Employment Assistance under Medicaid or SCHIP.*

Exchange Event – a loss of eligibility under the terms of the plan due to a reduction in hours (less than 30) – even when the Employer allows the coverage to continue in effect during the ‘Stabilization Period’ to satisfy the Affordable Care Act coverage requirements.*

Exchange Event – Exchange enrollment during an Exchange open enrollment period or special enrollment period.*

* These qualifying events do not apply to the Medical Expenses Reimbursement Plan.

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If you are making tax free contributions to a Health Savings Account (HSA) under this Plan, you do not need a 'change in status' event to change your HSA election. You may prospectively change your HSA election at any time during the Plan Year.

Under the qualifying events of Termination of Medicaid or SCHIP coverage and eligibility for employment assistance under Medicaid or SCHIP, the employee must request the group health benefit change no later than 60 days after the date of termination or after the date eligibility is determined under Medicaid or SCHIP.

THE REIMBURSEMENT PLANS

If the BENEFITS OFFERED TO EMPLOYEES Section of this Summary Plan Description lists Medical (Out-of-Pocket) Expenses, Dependent Care Expenses and/or Non-Employer Sponsored Premiums, then your Plan includes that Reimbursement Plan.

The Participant Reference Guide, incorporated by express reference into this Summary Plan Description, includes all of the information you need to access your reimbursement accounts and submit claims for reimbursement. By visiting the Account Manager link addressed in this Guide you may access information about your reenrollment, your available funds, annual election, total contributions, and total reimbursements. These plans provide tax free benefits for medical, dependent daycare and/or non-employer sponsored health insurance premium claim reimbursements in accordance with IRS guidelines and protocols.

Medical (Out-of-Pocket) Expenses Reimbursement Plan. All medical claim expenses must be (a) for medical care as defined in Code Section 213(d) which is rendered or received during the Plan Year, with certain limitations described under Services Not Covered; (b) incurred by an employee who has made a valid pre-tax election to participate in the Plan, such employee's spouse, or tax dependent for healthcare purposes as defined in Section 105(b), (c) not otherwise taken as a medical deduction by a taxpayer and (d) not covered under any other benefit program.

A medicine or drug that is available for purchase without a prescription is considered an over-the-counter medicine. Under new federal law, an over-the-counter medicine obtained on or after January 1, 2011 may be reimbursed tax free only if a Participant obtains and submits a prescription with their claim for reimbursement. A Participant must submit a 'prescription' that meets all state law requirements of the state in which the prescription was written. The person who wrote the prescription must be allowed to prescribe drugs under applicable state law. A medicine is any over-the-counter item the IRS determines is purchased for the primary purpose of applying the drug or biological contained in the item. Insulin will continue to be reimbursed without a prescription.

The following examples—even those recommended by a doctor—do not qualify as expenses eligible for reimbursement under the Medical Expenses Reimbursement Plan: insurance premiums; expenses for cosmetic procedures or cosmetic items; items that are for a Participant's general wellbeing; items the Participant would have purchased even if the Participant had no medical condition (for example, a toothbrush); vacation and travel expenses even if for rehabilitation or prescribed by a doctor; long-term care expenses that are not for actual medical care; expenses incurred in stockpiling over-the-counter items in quantities that could not reasonably be used during the current Plan Year.

If you contribute to a Health Savings Account (HSA) then you may additionally enroll in a limited *Medical Expenses Reimbursement Plan* only. Qualified expenses under a limited Medical Expenses Reimbursement Plan are limited to dental and vision services or supplies excluded from coverage under your high deductible health plan. The limited Medical Expenses Reimbursement Plan will not provide reimbursement for any other service or supply regardless of whether that service or supply is allowed by the IRS as a medical expense, or allowed under a full Medical Expenses Reimbursement Plan.

Dependent Care Expenses Reimbursement Plan. This Plan provides employees with tax free dependent care assistance only when the assistance is necessary for the Participant to leave the home to engage in activity directly related to his/her employment. Qualified expenses under the Dependent Care Expenses Reimbursement Plan include any expenses that you could take as a credit against tax on your income tax form for the care of a Qualified Person. Benefits are provided only to the extent of your payroll deduction on the date the claim is processed. The tax laws further limit how much you may contribute to this Plan. Under the law and the terms of the Plan, you may defer no more than the lesser of your actual (or, if you are married and if less, your spouse's) income for the year or \$5000 per year to this Program. A married Participant who files separate tax returns is limited to \$2500 per year.

Non-Employer Sponsored Premiums Reimbursement Plan. This account provides reimbursement for premiums you paid for employee-owned health insurance policies. Employer provided insurance plans do not qualify. Premiums eligible for reimbursement are for a period in which you were a covered Participant under this Plan.

HEALTH SAVINGS ACCOUNT (HSA)

If you elect Medical Expenses Reimbursement benefits, you cannot also elect HSA benefits (or otherwise make contributions to an HSA) unless you elect the Limited (Vision/Dental) Medical Expenses Reimbursement Benefit. In addition, when the Medical Expenses Reimbursement Benefit includes a grace period and you have a Medical Expenses Reimbursement Benefit that is not a Limited Benefit, you cannot elect HSA benefits or make contributions to an HSA until the first day of the month following the last day of the grace period, unless the balance in your Medical Expenses Reimbursement Benefit is \$0 as of the last day of that Plan Year.

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If you have a Medical Expenses Reimbursement benefit with the Carryover feature that is not a Limited Benefit, you will need to elect the limited Medical Expenses Reimbursement Plan for the new Plan Year. Claims with service dates in the new Plan Year can only be reimbursed if they are covered under the Limited Benefit. In any event, you cannot contribute to an HSA in any month in which you are eligible for a Medical Expenses Reimbursement Benefit that is not a Limited Benefit.

QUALIFIED RESERVIST DISTRIBUTION

A Participant who is called to active duty in the US Armed Services and enrolled in the Medical Expenses Reimbursement Plan may elect to receive a Qualified Reservist Distribution of all or a portion of the unused balance in his/her individual Medical Expenses Reimbursement Plan subject to the requirements of Code Section 125(h) and the applicable regulations thereunder. The Employer may limit this distribution to the amount you have contributed to the Plan that has not been used to reimburse you for claims submitted.

QUALIFIED MEDICAL CHILD SUPPORT ORDER (QMCSO)

The Plan will provide benefits in accordance with a QMCSO and adhere to the terms of any judgment, decree, or court order which (1) relates to the provision of child support related to health benefits for a child of a Participant in a group health plan; (2) is made pursuant to a state domestic relations law; and (3) which creates or recognizes the right of an alternate recipient—or assigns to an alternate recipient the right—to receive benefits under the group health plan under which a Participant or other beneficiary is entitled to receive benefits. Participants may obtain, without charge, a copy of the Plan's procedures from the Plan Administrator.

LEAVE OF ABSENCE

Family and Medical Leave Act (FMLA). If you go on a qualifying leave under the federal Family and Medical Leave Act (FMLA), to the extent required by the FMLA, your Employer will continue to maintain your benefit package options providing health coverage (including the Medical Expenses Reimbursement Plan) on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contribution to the extent you opt to continue coverage). Your Employer may require you to continue coverage while you are on paid leave (as long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave.

If your coverage ceases while on FMLA leave, you will be permitted to re-enter the Plan upon return from such leave, and to participate in the Plan on the same basis as you had been prior to the leave or as otherwise required by the FMLA. You may elect reinstatement in the Plan at the same coverage level in effect before the FMLA leave (with increased contributions for the remaining period of coverage) or at a reduced pro-rata coverage level for the period of FMLA leave during which you did not make contributions. Your coverage may be automatically reinstated as well, but only if coverage for employees on non-FMLA leave is automatically reinstated upon return from leave.

Unpaid FMLA Leave. If you are going on unpaid FMLA leave and you opt to continue your Medical and Dental Insurance Benefits and Health FSA Benefits, then you may pay your share of the contributions in one of three ways:

- (1) Prepay. Your share of contributions due during your leave may be paid either pre-tax or after-tax before your leave begins provided any pre-tax pre-payments do not fund coverage for the next Plan Year.
- (2) Pay-as-you-go. Your share of contributions will be paid on the same schedule as if you were not on leave or under another schedule. Per the Department of Labor regulations, if you fail to make payments under this option, your Employer is not required to continue coverage. If your Employer chooses to make payment and thereby continue coverage, your Employer is entitled to recoup these amounts from you after you return from leave.
- (3) Catch-up. Your Employer may advance your share of contributions while you are on leave. Upon your return from leave, your Employer may recover the advanced amounts on either a pre-tax or after-tax basis. Check with your Employer to determine if this option is available under your Plan.

Non-FMLA Leave. If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contribution due from you will be paid by pre-payment before going on leave, with after-tax contributions while on leave, or with catch-up contributions after the leave ends, as determined by the Plan Administrator. If you go on an unpaid leave that affects eligibility, then the Change in Status rules will apply.

Military Leave. If you take a leave of absence due to military service, you may continue coverage under this Plan as required by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

TERMINATION OF PARTICIPATION

Participants are enrolled in the Plan for the entire Plan Year or the portion of the Plan Year remaining after enrollment. You will automatically cease to be a Participant on the earliest of the following dates:

- a. Your death, resignation or termination of employment with the Employer;
- b. The date the Plan terminates;
- c. The date on which you fail to pay any required premium (including payment by salary reduction) under the Plan;
- d. The date you no longer meet the requirements for eligibility in the Plan; or,
- e. The date you revoke your election under a qualifying change in status event.

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When participation has terminated, you are eligible to incur claims against any positive account balance through the eligibility end date.

Positive Balance: Upon termination your annual election amount will be limited to the greater of the amount paid for coverage (total contributions) less previously paid reimbursements or the total of paid reimbursements from the Plan.

As a terminated participant, you are not eligible for the Grace Period unless your eligibility end date is the same as the last day of the Plan Year.

As a terminated Participant, you are not eligible for carryover.

When your participation has terminated, you may submit eligible claims for reimbursement through your run out end date as noted in the Claims Procedure section of this document.

CLAIMS PROCEDURE

Unless otherwise noted in this section, if you have elected reimbursement coverage, you may submit eligible claims for reimbursement through the Plan's runout period which ends on: 06/13/2019

All other claim procedures for the Plan are provided in a separate administrative document upon the original enrollment in the Plan. An additional copy may be provided without charge upon request.

CLAIM DENIALS

Medical and Dental Insurance Benefits. The applicable insurance company will determine your claim in accordance with its claims procedures.

Claims Under the Medical (Out-of-Pocket) Expenses, Dependent Care Expenses or Non-Employer Sponsored Premiums Reimbursement Benefits. The claims procedure described below will apply if (a) a claim for reimbursement under the Medical (Out-of-Pocket) Expenses, Dependent Care Expenses or Non-Employer Sponsored Premium components of the salary reduction plan is wholly or partially denied, or (b) you are denied a benefit under the salary reduction plan due to an issue germane to your coverage under the Plan.

If your claim is denied in whole or in part, you will be notified in writing by the Plan Administrator within 30 days after the date the Plan Administrator received your claim. (This time period may be extended for an additional 15 days for matters beyond the control of the Plan Administrator, including in cases where a claim is incomplete.) The Plan Administrator will provide written notice of any extension, including the reasons for the extension and the date by which a decision by the Plan Administrator is expected. When a claim is incomplete, the extension notice will also specifically describe the required information, will allow you 45 days from receipt of the notice in which to provide the specified information, and will effectively suspend the time for a decision on your claim until the specified information is provided.)

Notification of a denied claim will detail:

- specific reason(s) for the denial;
- specific Plan provision(s) on which the denial is based;
- a description of any additional material or information necessary for you to validate the claim and an explanation of why such material or information is necessary;
- appropriate information on the steps to be taken if you wish to appeal the Plan Administrator's decision, including your right to submit written comments and have them considered, your right to review (upon request and at no charge) relevant documents and other information, and your right to file suit under ERISA (where applicable) with respect to any adverse determination after appeal of your claim.

Appeals. If your claim is denied in whole or part, then you (or your authorized representative) may request review upon written application to the Plan Administrator. Your appeal must be made in writing within 180 days after your receipt of the notice that the claim was denied. If you do not appeal on time, you will lose both the right to appeal the denial and the right to file suit in court. Your written appeal should state the reasons that you feel your claim should not have been denied. It should include any additional facts and/or documents that you feel support your claim. You will have the opportunity to ask additional questions and make written comments, and you may review (upon request and at no charge) documents and other information relevant to your appeal. The address to use when filing an appeal will be included in the benefit or enrollment denial letter.

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Decision on Review. Your appeal will be reviewed and determination made within a reasonable time, defined as not later than 60 days after receipt of your appeal. If the decision on review affirms the initial denial of your claim, you will be furnished with a Notice of Adverse Benefits Determination on Review, which shall set forth the following:

- specific reason(s) for the decision on review;
- specific Plan provision(s) on which the decision is based;
- a statement of your right to review (upon request and at no charge) relevant documents and other information;
- if an “internal rule, guideline, protocol, or other similar criterion” is relied on in making the decision on review, then a description of the specific rule, guideline, protocol, or other similar criterion or a statement that such a rule, guideline, protocol, or other similar criterion was relied on and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to you upon request; and
- a statement of your right to bring suit under ERISA §502(a) (where applicable).

NOTICES REQUIRED BY LAW

Special Rights on Childbirth. Under Federal law, group health plans may not restrict benefits for any hospital length of stay in connection with childbirth for (either mother or newborn child) to less than 48 hours following a vaginal delivery or less than 96 hours following a caesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than the above period. In any case, under Federal law a provider may not be required (by Plan or insurer) to obtain authorization from the plan for prescribing a length of stay up to 48 hours (or 96 hours).

ERISA RIGHTS

The Medical Expenses Reimbursement Plan or Medical Insurance Plan sponsored by your Employer are subject to the Employee Retirement Income Security Act of 1974 (ERISA). (The Medical Premium Plan is not subject to ERISA.) Some of your basic rights under ERISA are described in this Summary Plan Description. Your rights under ERISA and other federal and state law as related to the qualified benefit plans you elected are fully detailed in the Summary Plan Descriptions that are maintained by your Employer for those Plans.

As a participant in the Company's Medical and Dental Expense Reimbursement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act (ERISA). ERISA provides that all Plan participants shall be entitled to the following:

To examine, without charge, at the Plan Administrator's office and at other specified locations such as work-sites and union halls, all plan documents including insurance contracts, collective bargaining agreements, and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions. Plan documents and other Plan information will be provided upon written request of the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies. A summary of the Plan's annual financial report will be automatically sent when such a report is required by law.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of the Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit from the Plan or from exercising your rights under ERISA.

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a Claim for benefits which is denied or ignored in whole or in part, you may file suit in a state or federal court as above. If it should happen that Plan fiduciaries or if you are discriminated against for asserting your rights you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose or if your claim is found to be frivolous, the court may order you to pay these costs and fees. If you have any questions about the Plan, you should contact the Plan Administrator.

If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, ("COBRA") continuation shall not apply to any group health plan of the Employer for any calendar year if all employers maintaining such plan normally employed fewer than twenty (20) Employees on a typical business day during the preceding calendar year. Government entities are subject to the same continuation coverage under the Public Health Services Act. This Summary Plan Description describes your rights for the Medical Reimbursement Plan. Your rights under any of the other Qualified Benefits Plans offered by your Employer are described in the Summary Plan Description(s) for that Plan and may be obtained from your Plan Administrator.

If you elect to participate under the Medical Expenses Reimbursement Plan and are considered a Participant on the day before experiencing a qualifying event, COBRA continuation ends on the last day of the Plan Year in which the qualifying event occurred. Further, COBRA continuation coverage will not be offered if on the day of your qualifying event, the amount of your annual election less any reimbursed claims is less than the amount of premium required to continue the Medical Expenses Reimbursement Plan until the end of the Plan Year. COBRA continuation under an excepted Medical Expenses Reimbursement Plan is available until the end of the Plan Year in which the qualifying event occurs.

A Participant who experiences a qualifying event is considered a qualified beneficiary. When a qualified beneficiary experiences a qualifying event, they will be sent a notification explaining their rights to elect COBRA continuation coverage. Your Employer has 44 days from the date of the loss of coverage in which to send the COBRA Election Notice. A qualified beneficiary who wishes to continue coverage must notify the Plan Administrator of their desire to continue coverage within sixty days of either the date of notification or date of loss of coverage, whichever is later. If the Plan Administrator does not receive notification within this time period, you will lose your right to elect continuation coverage. Finally, qualified beneficiaries who elect continuation coverage are responsible for premiums back to the date that termination from the Plan would have occurred.

COBRA continuation is available until the end of the Plan Year in which the qualifying event occurs. The premium charged for the continuation coverage will be 102% of your monthly contribution. The Employer may require the COBRA payments be apportioned for the remainder of the Plan Year.

Listed below are qualifying events.

- (1) Termination of employment (for reason other than "gross misconduct"); and
- (2) Reduction of employee's work hours.

Questions

If you have questions about your COBRA continuation coverage, you should contact your Employer or you may contact the nearest Regional or District Office of the U. S. Department of Labor's Employee Benefits Security Administration (EBSA); addresses and phone number of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.



Legislation Details (With Text)

File #:	RES-18:174	Version:	1	Name:	CONTRACT WITH ZAXBY'S FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT SOUTHSIDE SOFTBALL COMPLEX
Type:	Resolution	Status:		Status:	To Be Introduced
File created:	10/24/2018	In control:		In control:	Finance & Administration Council Committee
On agenda:		Final action:		Final action:	
Title:	A RESOLUTION TO CONTRACT WITH ZAXBY'S FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT SOUTHSIDE SOFTBALL COMPLEX				
Sponsors:	Parks & Recreation				
Indexes:	Contract				
Code sections:					
Attachments:	Exhibit A				

Date	Ver.	Action By	Action	Result
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A RESOLUTION TO CONTRACT WITH ZAXBY'S FOR SPONSORSHIP OF ONE OUTFIELD SIGN AT SOUTHSIDE SOFTBALL COMPLEX

WHEREAS, the City of Jonesboro owns and maintains Southside Softball Complex located at 5003 Stadium Boulevard; and

WHEREAS, Zaxby's is seeking sponsorship recognition on one outfield sign at Southside Softball Complex; and

WHEREAS, Zaxby's is sponsoring the outfield sign for the sum of \$300.00 per year for a period of 3 years effective October 1, 2018.

NOW, THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS, THAT

SECTION 1: The City of Jonesboro, Arkansas shall contract with Zaxby's for the sponsorship of one outfield sign at Southside Softball Complex. A copy of said contract is attached as Exhibit A.

SECTION 2; The Mayor and City Clerk are hereby authorized by the City Council for the City of Jonesboro to execute all document necessary to effectuate said agreement.

EXHIBIT A

ADVERTISING AGREEMENT
FOR FIELD SIGN LOCATED AT
SOUTHSIDE SOFTBALL COMPLEX

This agreement is made by and between **Zaxby's, Inc** (SPONSOR) and the CITY OF JONESBORO PARKS AND RECREATION DEPARTMENT (CITY), on this **1st** Day of **October, 2018** (the "Effective Date").

WHEREAS, the CITY is the owner of certain public park amenities known as "Southside Softball Complex". And hereafter referred to as the "Facilities", and

WHEREAS, SPONSOR and the CITY desire to enter this agreement for the purpose of Evidencing the agreement of the parties with regard to advertising on the outfield fences at the Facilities by SPONSOR and the respective obligations of the parties regarding said Advertisements at the Facilities;

NOW, THEREFORE in consideration of the promises and the reciprocated covenants and obligations contained herein, the parties agree as follows:

I. Term

- (1) The term of this agreement is for a period of **(3) three years** commencing on the effective Date and ending at midnight on the **(3rd)** third anniversary thereof.

II. Advertisement at Facilities

- (1) It is agreed between the parties hereto, in return for the covenants and conditions set forth herein that the SPONSOR's logo shall be put on a sign to be displayed on chosen field at FACILITY for a period of **(3) three years**.
- (2) It is agreed between the parties that the SPONSOR shall pay over a period of **3 years** for the sign and sponsorship the total sum of **\$900.00**.
 - A sum of **\$300.00** shall be paid on **October 1st, 2018**.
 - A sum of **\$300.00** shall be paid on **October 1st, 2019**.
 - A sum of **\$300.00** shall be paid on **October 1st, 2020**.

- (3) It is agreed between the CITY and the SPONSOR that the SPONSOR shall have the right to renew this contract for an additional period of **(3) three years** at the sponsorship rate to be negotiated at the time of the renewal.
- (4) It is agreed between the CITY and the SPONSOR that this sponsorship is non-assignable without prior written approval of the CITY. It is also agreed that the CITY reserves the right to remove SPONSOR'S sign and obtain a new sponsor for designated field in the event of failure of payment on the part of the SPONSOR.
- (5) It is agreed between the parties that the CITY will furnish a 4' x 6' sign to be placed for SPONSOR'S designated field. However, it shall be the responsibility of SPONSOR to bear any expense made to said sign should changes be requested during the term of this agreement.
- (6) It is agreed by CITY and the SPONSOR that the SPONSOR shall not be responsible for the maintenance or upkeep of sign and SPONSOR shall not be responsible with regards to any liability actions which may be brought against the CITY resulting from accidents which might involve the sign.

III. Assignability and Exclusivity

This agreement is a privilege for the benefit of SPONSOR only and may not be assigned in whole or in part by SPONSOR to any other person or entity.

IV. Miscellaneous Provisions.

- (1) No Modification of this Agreement shall be effective unless it is made in writing and signed by the authorized representative's of the parties hereto.
- (2) This agreement shall be construed under and in accordance with the laws of the State of Arkansas and venue for any litigation concerning this Agreement shall be in Craighead County, Jonesboro, Arkansas.
- (3) Nothing in this Agreement shall be construed to make the CITY or its respective agents or representatives liable in situations it is otherwise immune from liability.


(4) In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(5) Each party represents to the other the individual signing this Agreement below has been duly authorized to do so by its respective governing body and that this Agreement is binding and enforceable as to each party.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year set forth below.

BY: **Zaxby's, Inc.**

Name: Tara Grayless

Signature: 

Title: Director of Marketing

Date: 10/17/18

CITY OF JONESBORO

By: _____

Name: Harold Perrin

Title: Mayor

Date: _____

ATTEST

Donna Jackson, City Clerk, CMC



Legislation Details (With Text)

File #: RES-18:175 **Version:** 1 **Name:** LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX

Type: Resolution **Status:** To Be Introduced

File created: 10/24/2018 **In control:** Finance & Administration Council Committee

On agenda: **Final action:**

Title: RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX

Sponsors: Finance

Indexes: Taxes

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX

WHEREAS, pursuant to the terms of Amendment 30 of the Constitution of the State of Arkansas, a duly qualified election was held upon presentation of a petition by voters; and

WHEREAS, a majority of the electors voted in favor of the establishment of a public library, and further approved an annual levy on all real and personal property within the City for the support, operation and maintenance of the public library, specifying a rate of taxation of 2 mills on the dollar; and

WHEREAS, these questions being answered by a majority of the qualified voters the Mayor proclaimed it adopted by law.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: Pursuant to the millage rollback computation - Arkansas Statute 84-493.2; Section 3, Act 848, the taxation will be as follows: On all real property the taxes are at the rate of 2 mills on the dollar and on all personal property, excepting household goods, the rate is 2 mills on the dollar.



Legislation Details (With Text)

File #: RES-18:177 **Version:** 1 **Name:** LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE JONESBORO POLICE PENSION PLANS

Type: Resolution **Status:** To Be Introduced

File created: 10/24/2018 **In control:** Finance & Administration Council Committee

On agenda: **Final action:**

Title: RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE JONESBORO POLICE PENSION PLANS

Sponsors: Finance

Indexes: Taxes

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE JONESBORO POLICE PENSION PLANS

WHEREAS, a duly qualified election was held in accordance with A.C.A. 24-11-404, to provide for a tax levy not to exceed one (1) mill on the dollar upon the assessed value of the real and personal property contained in the city, for the purpose of funding a local pension and relief fund for police officers and their survivors; and

WHEREAS, a majority of those voting approved the levy to fund the local pension fund; and

WHEREAS, the above law requires an annual levy be made by the City council, and certified to the county clerk; and

WHEREAS, The City Council finds that in order to raise said sum, it is necessary to levy a tax of one-half (.5) mill on the dollar on all real property and one-half (.5) mill on the dollar on all personal property, excepting household goods; and

WHEREAS, the city has consolidated administration of its policemen's pension and relief fund with the Arkansas Local Police and Fire Retirement System.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The County Clerk is hereby authorized and directed to extend said tax upon the tax book, and that the same be collected in the same manner as other property taxes are collected.



Legislation Details (With Text)

File #: RES-18:178 **Version:** 1 **Name:** LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE LOCAL FIREMENS PENSION PLANS

Type: Resolution **Status:** To Be Introduced

File created: 10/24/2018 **In control:** Finance & Administration Council Committee

On agenda: **Final action:**

Title: RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE LOCAL FIREMENS PENSION PLANS

Sponsors: Finance

Indexes: Taxes

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO LEVY A ONE-HALF (.5) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE LOCAL FIREMENS PENSION PLANS

WHEREAS, a duly qualified election was held in accordance with A.C.A. 24-11-812 to provide for a tax levy not to exceed one (1) mill on the dollar upon the assessed value of the real and personal property contained in the city, for the purpose of funding a local pension and relief fund for fire department personnel and their survivors; and

WHEREAS, a majority of those voting approved the levy to fund the local pension fund; and

WHEREAS, the above law requires an annual levy be made by the City Council, and certified to the county clerk; and

WHEREAS, the City Council finds that in order to raise said sum, it is necessary to levy a tax of one-half (.5) mill on the dollar on all real property and one-half (.5) mill on the dollar on all personal property, excepting household goods.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1 : The County Clerk is hereby authorized and directed to extend said tax upon the tax book, and that the same be collected in the same manner as other property taxes are collected.



Legislation Details (With Text)

File #:	RES-18:179	Version:	1	Name:	AGREEMENT WITH VECTOR DISEASE CONTROL INTERNATIONAL, LLC
Type:	Resolution	Status:		Status:	To Be Introduced
File created:	10/24/2018	In control:		In control:	Finance & Administration Council Committee
On agenda:		Final action:			
Title:	A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH VECTOR DISEASE CONTROL INTERNATIONAL, LLC				
Sponsors:	Mayor's Office				
Indexes:	Contract				
Code sections:					
Attachments:	Vector Disease Control Agreement				

Date	Ver.	Action By	Action	Result
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A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH VECTOR DISEASE CONTROL INTERNATIONAL, LLC

WHEREAS, the City of Jonesboro, Arkansas and Vector Disease Control International, LLC wish to enter into an Agreement to provide mosquito control services for the City of Jonesboro; and

WHEREAS, said agreement is for an initial period of two years beginning January 1, 2019, and will automatically renew every year thereafter for a maximum of six years; and

WHEREAS, said agreement is attached hereto and the terms set out therein.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

1. The City of Jonesboro approves the Agreement with Vector Disease Control International, LLC to perform mosquito control services for the City of Jonesboro. The Agreement, including the scope of services to be provided, are set out in the attachment.

2. The Mayor, Harold Perrin and City Clerk, Donna Jackson are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this agreement.

MOSQUITO CONTROL

PROFESIONAL SERVICES AGREEMENT

THIS AGREEMENT for Mosquito Control Professional Services is entered into between the City of Jonesboro, Arkansas (the City), and Vector Disease Control International, LLC (Vector). For the protection of its residents, the City desires to provide a professionally designed and integrated program for the control of the mosquito population in the City. Vector has agreed to provide these services subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and Considerations contained herein, the City and Vector agree as follows:

1. Term of the Agreement. The term of this Agreement shall be for a period beginning January 1, 2019, and ending December 31, 2020. Provided, however, that this Agreement shall be automatically renewed each calendar year for the next year, for a maximum of six (6) years beginning on January 1 and ending on December 31 of each year with the conditions as contained in this Agreement unless terminated by either party as set out herein.

The City may choose not to renew this Agreement as required in this paragraph if (a) Vector fails to perform its obligations to the City as required under the terms of this Agreement or (b) the City becomes unable to meet its financial obligations in the ordinary course of its business. Vector may choose not to renew only if (a) renewal would result in extreme financial hardship to Vector or (b) Vector ceases to exist as a corporate entity.

Non-renewal will be invalid and ineffective unless the non-renewing party provides the other party with written notice of its intention not to renew no later than January 1 of any subsequent year in which automatic renewal occurs. Such notice must contain the reasons for non-renewal.

1. Services to be provided. During the primary and renewal terms of this Agreement, Vector shall provide the following services during the mosquito breeding season (anticipated to be April 15 to October 15):

a) Surveillance. Larvae breeding sites such as ditches, tire piles, artificial containers, septic ponds, rainwater pools, etc. will be inspected regularly and periodically. In addition, adult mosquito populations will be monitored using light traps, gravid traps, and landing rates. All collections will be identified as to species and population distribution. Density will be plotted to detect any changes in problem areas.

b) Larviciding. Vector will apply only EPA-registered chemical and biological larvicides throughout the City and associated buffer zone. These will be applied at least weekly to persistent mosquito production areas and as indicated in other production areas. Chemicals, application rates and methods, including aerial applications if needed, will be tailored to habitat and mosquito species in order to provide greater control.

c) Adulticiding. Vector will apply only EPA-registered mosquito adulticides which will be dispensed by aerial application (minimum of eight per year) and from truck mounted, ultra-low volume (ULV) equipment throughout the City and associated buffer zone in order to provide uniform control and protect against re-infestation. All ULV applications will be timed to coincide with peak mosquito activity in order to provide the most effective control possible.

d) Record Keeping. Vector will keep complete records of all operations including records of inspections and larvicide and adulticide applications, of all which will be tabulated and presented in written monthly reports to the City. All forms and reports of pesticide usage required by all regulatory agencies will be filed to comply with applicable laws and copies will be submitted to the City for its files.

2. Payment. For services to be provided by Vector during the term hereof, the City shall pay to Vector the following:

a) For the primary term (2019) the sum of FOUR HUNDRED THIRTY SIX THOUSAND DOLLARS (\$436,000.00) in twelve (12) equal monthly installments of \$36,333.33 each, payable on or before the 15th day of each month, beginning January 15, 2019.

b) For the year 2020, the sum of FOUR HUNDRED F O R T Y T W O THOUSAND DOLLARS (\$442,000) in twelve (12) equal monthly installments of \$36,833.33 each, payable on or before the 15th day of each month, beginning January 15, 2020.

c) For the year 2021, the sum of FOUR HUNDRED FORTY EIGHT THOUSAND DOLLARS (\$448,000) in twelve (12) equal monthly installments of \$37,333.33 each, payable on or before the 15th day of each month, beginning January 15, 2021.

d) For the year 2022, the sum of FOUR HUNDRED FIFTY-FOUR THOUSAN D DOLLARS (\$454,000) in twelve (12) equal monthly installments of \$37,833.33 each , payable on or before the 15th day of each month, beginning January 15, 2022.

e) For the year 2023, 2024, and 2025, the sum of FOUR H U N D R E D S I X T Y T H O U S A N D (\$460,000) in twelve (12) equal monthly installments of \$38,333.33 each, payable on or before the 15th day of each month, beginning January 15, 2023.

3. Insurance. Vector shall at its own expense procure and maintain the following coverages:

- a) Workers compensation with a statutory minimum employer liability;
- b) General liability with a minimum general aggregate limit of \$2,000,000.00.
- c) Commercial Auto with a minimum liability of \$1,000,000.00.
- d) Aviation liability with a minimum of \$1,000,000.00.

2. Non-Liability of the City, Its Officials, and Employees. No employee or elected official of the City shall be personally responsible for any damage resulting from the negligence or intentional acts of Vector in the performance of services required under the terms of this Agreement.

3. Indemnity. Vector shall indemnify and hold harmless the City, its elected officials, agents, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees as a result of any work done by Vector in the performance of this agreement, including full and complete compliance with State and Federal laws, rules, and regulations.

4. Defaults. A material breach of any of the terms and conditions of this Agreement on the part of Vector shall be grounds for the termination of this Agreement at the option of the City. The City, upon termination, shall be at liberty to re-let the work to other parties, or to perform the work without contract, and in either case, Vector shall be liable for any excess costs in performing such work over the cost to the City if Vector had continued to perform in accordance with this Agreement.

5. Civil Unrest. Notwithstanding anything contained in this Agreement to the contrary, in the event Vector, in its sole discretion, determines that because of civil unrest a substantial risk of personal injury to its employees or damage to its equipment exists, then Vector may refuse to provide services in that part of the coverage area where such risk exists until:

- a) Order is restored and the threat of such injury or damage has been resolved;
- or b) The City has, in the sole discretion of Vector, taken adequate security measures to insure the safety of Vector personnel and equipment.

Any refusal by Vector to treat a part of the coverage area under the circumstances described in this section not be deemed to be a breach of this Agreement.

6. Prohibition of Other Commercial Mosquito Control Applications. Because of its various reporting and record keeping responsibilities and the liability assumed by VDCI under the terms of this Agreement and because of potential harm to the public, the City shall not permit other commercial mosquito control pesticide applications to occur in public areas of the City during the term of this Agreement.

Miscellaneous. Over the past several years, new chemistry's and synthetic pyrethroids have been developed for the control of adult mosquitoes. Effectiveness can vary, and VDCI intends to incorporate new products on a trial basis at times throughout the mosquito season to research their effectiveness and feasibility. When we can, special events and some routine truck spraying will be done with new synthetic pyrethroid products. Any new products used will be EPA and State of Arkansas approved.

The parties are agreed that Vector shall maintain their principal office for the Northeast Arkansas region in Jonesboro, Arkansas. Said office shall be staffed and operated as the central shipping and receiving point for Northeast Arkansas, with bulk chemical storage, computer system, and reports conducted from said office. It is the further understanding and intention of all parties that this contract shall be contingent on being in compliance with all applicable laws of the State of Arkansas.

IN W ITNESS WHEREOF, the parties have entered into this agreement the _____
day of _____, 2018.

VECTOR DISEASE CONTROL INTERNATIONAL, LLC

By: David Fisher
David Fisher, Sr. VP Operations

By: _____
CITY OF JONESBORO, ARKANSAS
Harold Perrin, Mayor

ATTEST
