

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE NON-UNIFORMED EMPLOYEES' POLICY AND PROCEDURE MANUAL REGARDING POLICIES FOR ANNUAL LEAVE, SICK LEAVE BENEFITS, AND GROUP HEALTH INSURANCE; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, Ordinance No. 7690, adopted by the City Council on February 28, 2005, codified by reference as §2-151 of the North Little Rock Municipal Code, established policies and procedures for non-uniformed employees ("Personnel Manual"), which has subsequently been amended by Ordinance Nos. 8115, 8249, 8258, 8393, 8516, 8525, 8584, 8710, 8713, 8732, 8767, 8770, 8777, 8783, 8789, 8819, 8880, 8883, 8975, 8976, 9072, 9322, 9345, 9551, 9564, 9664, and 9684; and

WHEREAS, there is a need to amend Policy Nos. 6-002, 7-001, and 7-003 to reflect changes in annual leave benefits, sick leave benefits, and group health insurance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Policies and Procedure Manual for Non-Uniformed Employees of the City of North Little Rock is hereby amended as follows:

Editor's note: Changes are in **bold**; deletions are denoted in "**red**" by ~~strikethrough~~ and additions in "**blue**" by underline.

Policy No. 6-002: Group Health Insurance is hereby revised as shown in Exhibit A attached hereto and incorporated herein by reference.

Policy No. 7-001: Annual Leave is hereby revised as shown in Exhibit B attached hereto and incorporated herein by reference.

Policy No. 7-003: Sick Leave Benefits is hereby revised as shown in Exhibit C attached hereto and incorporated herein by reference.

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 3: That the City Council has determined that the interests of the City and City employees can best be served by the adoption of the above amendments to the Policies and Procedure Manual for Non-Uniformed Employees of the City of North Little Rock; THEREFORE, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

SPONSOR:

TERRY C. Hartwick
Mayor Terry C. Hartwick *by AF*

APPROVED AS TO FORM:

Amy Beckman Fields
Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

APPROVED:

Mayor Terry C. Hartwick

ATTEST:

Diane Whitbey, City Clerk

FILED	<u>10:20</u>	A.M.	_____	P.M.
By	<u><i>Amy Beckman Fields</i></u> C/A			
DATE	<u>12-2-25</u>			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	<u><i>[Signature]</i></u>			

GROUP HEALTH INSURANCE

~~The following is a brief summary of the current group health insurance plan, which also includes dental benefits.~~

~~A complete description of the group health insurance provisions may be found in the employee's Municipal Health Benefit Fund plan booklet that is provided to every covered employee. In the event of any contradiction between the information given here and the Municipal Health Benefit Fund booklet, the Municipal Health Benefit Fund booklet shall govern in all instances. For details of benefits, restrictions, exclusions, procedures, etc., employees should study and become familiar with the provisions described in the insurance booklet provided to them. If a booklet has been lost, the Finance Department or Plan Administrator should be contacted for a replacement.~~

The City offers group health insurance, including dental insurance, to full-time employees, as well as optional dependent coverage for eligible dependents. A complete description of the group health insurance provisions may be found in the plan documents for the group health insurance selected by the City on an annual basis.

No individual may be covered under this plan as both an employee and a dependent. Also, no individual will be considered an eligible dependent of more than one employee.

Eligible Dependents

Optional coverage is available for covered employees' eligible dependents as follows: spouse, children under age 26, and handicapped children past the age of 26 (if not gainfully employed and is living with the employee).

In addition to a son or daughter born to an employee and their spouse, the term "child" also includes an employee's adopted child and stepchild or other child for whom the employee has legal guardianship if such child depends primarily on the employee for support and maintenance and lives with the employee in a parent/custodian-child relationship.

Eligibility as a dependent will cease: (a) for any person on the date he or she becomes covered for personal coverage under ~~Municipal Health Benefit Fund~~ the City's group health insurance as a dependent of another person, enters active service with the armed forces of any country, or otherwise ceases to be in a covered classification of persons according to the definition of an eligible dependent, (b) for an employee's spouse, on the date of divorce or legal separation, and (c) for an employee's child on attainment of the applicable maximum age limit.

Eligibility for Medicare

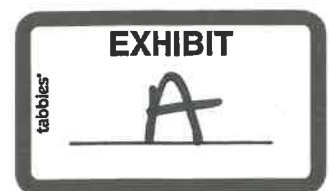
When a current covered employee becomes age 65 or eligible for Medicare coverage, the City's benefits remain the primary coverage and Medicare is the secondary coverage.

Employees Retiring Under the Disability Provisions of Any Pension Plan

When any city employee of any age retires from the City under the disability provisions of the pension plan, until award of full Medicare benefits, but for a total period of time of not more than 27 months from the date of retirement, they are eligible to remain on the City's health care plan, receiving the same medical benefits and paying the same premium as active employees as long as the retiree pays the total premium due to the health care plan.

Effective Date

Coverage for employees and dependents is effective the first day of the month following 30 consecutive days of employment. Dependent coverage will have the same effective date except as stated below.



Enrollment Date

The annual enrollment date is January 1. If the employee does not enroll eligible dependents before the date the employee becomes eligible, they may not be enrolled until the following January 1. If an employee has no eligible dependents, but wishes to provide coverage for an eligible newborn, then the employee must enroll for dependent coverage when the child is born. New dependents, i.e., marriage or adoption, must be enrolled the first of the month following the date the employee acquired the new dependents. If not enrolled when eligible, the new dependents may not be enrolled until January 1 of the next year. Employees must complete an enrollment card and submit it to their departmental payroll clerk for forwarding to the Human Resources Department when dependent coverage is elected.

Payment of Premiums

~~At the present time the City pays 100% of the cost of providing medical insurance premiums through Municipal Health Benefit Fund, for each eligible employee and elected City official and 75% of the cost for eligible dependents.~~

The allocation between the City and the covered employee of the cost of providing medical insurance premiums for each eligible employee and elected official, and the allocation between the City and the covered employee of the cost for eligible dependents, will be determined on an annual basis and communicated to all employees prior to the open enrollment period.

When a covered employee is temporarily in an inactive, non-pay status other than unpaid FMLA leave, it is the responsibility of the covered employee to pay 100% of his own and his eligible dependents' health insurance premiums.

While the covered employee is on unpaid FMLA leave, the City will continue to pay 100% of the employee's health insurance premium, however, the employee is required to continue to pay the premiums for his/her usual share of the dependent health coverage and any optional insurance payments.

If an employee on FMLA leave fails to return to work following the leave, the employee may be required to reimburse the City for all premiums paid during the leave.

Arrangements for paying health insurance premiums during periods of unpaid leave should be made with the Finance Department as far in advance of the leave as possible.

Status Changes

Dependent coverage may be discontinued by completing the change portion of a new enrollment card. If coverage is discontinued after payment of a portion of the premium, that premium payment will not be refunded. Any change in dependent coverage status requires completion of a new enrollment form. These forms are available in each department. Status changes cannot be completed until the employee has signed the change form.

Options for Continuation Of Coverage

Retirees Age 55 or Older "Unless Medicare-Eligible"

When any city employee, fifty-five years of age or over *Unless Medicare-Eligible* who is vested in the retirement system retires from the City, the retiree may continue to participate in the City's health care plan, receiving the same medical benefits and paying the same premium as active employees as long as the retiree pays the total premium due to the health care plan.

Retirees Age 65 "Medicare Eligible"

"Medicare Eligible" Retirees, who reach the age of 65, are not eligible for the City's "Group Health Insurance Plan". In this instance, the Retiree's "Medicare Eligibility Date" is determined by the following criteria:

- On the 1st of the month of the Retiree's 65th birthday or
- On the month prior to the Retiree's 65th birthday if they turn 65 on the 1st of the month

Under the Consolidated Omnibus Benefits Budget Reconciliation Act (C.O.B.R.A.)

Employees

Pursuant to Public Law 99-272, Title X known as (C.O.B.R.A.), an employee who is subject to losing group health coverage because of a reduction in hours of employment (including unpaid military leave in excess of thirty (30) days), or termination of employment (for

reasons other than gross misconduct on the employee's part), may choose continuation of the City's health insurance coverage by paying the premiums as described below. C.O.B.R.A. coverage does not include Life or AD&D.

Spouses of Employees

Covered spouses of employees may choose continuation coverage if group health coverage is lost for any of the following four reasons:

- the death of the employee;
- a termination of the employee's employment (for reasons other than gross misconduct) or reduction in the employee's hours of employment;
- divorce or legal separation from the employee; or
- the employee becomes entitled to Medicare.

Children of Employees

Covered dependent children of an employee may choose continuation coverage if group health coverage is lost for any of the following five reasons:

- death of a parent who is the employee;
- termination of a covered parent's employment (for reasons other than gross misconduct) or reduction in a parent's hours of employment with the City;
- parents' divorce or legal separation;
- parent becomes entitled to Medicare; or
- the dependent ceases to be a "dependent child" under the City's group health insurance plan.

Payment of Premiums for Continuation Coverage

The covered employee, spouse or dependent is responsible for paying 100% of the group-rate premiums plus 2% (as provided by COBRA) for continuation coverage. COBRA premium due dates are the first of each month.

Group Insurance Fund Administrator

C.O.B.R.A. benefits are administered by the Plan Administrator for ~~Municipal Health-Benefit Fund~~ [the City's group health insurer](#). For answers to specific terms and conditions and other questions about C.O.B.R.A., the employee ~~should review the Very Important Notice regarding C.O.B.R.A. rights currently on pages 31, 32, 33 of the employee's Municipal Health-Benefit Fund booklet or~~ contact the Plan Administrator ~~shown below~~.

Status Changes

The City and the Plan Administrator must be notified immediately upon any of the above qualifying events and the desire to continue coverage by the employee, spouse, or dependent.

If a covered employee, spouse or dependent changes marital status, or the employee or spouse has changed address, they should immediately notify the City and the Plan Administrator or his agent shown below.

Fund Administrator

~~Where the foregoing text instructs a covered employee, spouse or dependent to contact the Plan Administrator, please refer to information below or as stated in the Municipal Health-Benefit Fund policy handbook provided to employees annually. Employees are reminded to refer to the Municipal Health-Benefit Fund booklet for additional information, requirements, notification requirements, and recent updates or changes.~~

~~MUNICIPAL HEALTH-BENEFIT FUND ADMINISTRATIVE OFFICE~~

~~P.O. Box 188~~

~~North Little Rock, AR 72115~~

SECTION 7. LEAVES & TIME OFF BENEFITS POLICIES & PROCEDURES

7-001: ANNUAL LEAVE

Effective: 2/28/05 (Updated 4/4/16 12/8/2025)**ANNUAL LEAVE****Scheduling and Approval**

Routine requests for annual leave must be scheduled as far in advance as possible, and at times and in increments that cause the least interference with departmental operations and the employee's work. If necessary, department heads may establish limits on the consecutive number of days an employee may use annual leave in any period of time, except when annual leave is being used because paid sick leave is not available. Requests for leave may be denied if the employee has not complied with the required advance request and notice requirements of the department, or when the dates requested could adversely affect the efficient operation of the department. Any employee who takes leave and does not have a sufficient leave balance available, will be charged leave without pay (LWOP).

Revocations

Previously-approved leave requests may be cancelled if necessary to carry out essential work of the department due to emergencies or other unforeseen conditions. In such cases, every effort will be made by the department head not to cancel previously-approved leave requests of employees who will experience a significant financial or other hardship provided the employee can provide acceptable verification of such loss or hardship or an acceptable explanation of a compelling situation indicating why they will be harmed by the cancellation of pre-approved leave.

Conflicts in Requests for Leave

The scheduling of annual and discretionary leave shall be by employee preference to the extent permitted by the reasonable service needs of the City and the department. If it is necessary to limit the number of employees on leave at any one period of time, the employee whose request was received first will be given preference. If two or more requests are received from employees of same or similar rank at the same time for the same period of time, the employee with the greatest seniority shall be given preference. In departments where employees are all required to schedule annual leave and/or discretionary leave for the forthcoming year at the same time, seniority, time in rank or position, or any other fair and non-discriminatory method of assignment may determine preference.

Earning Schedule

Eligible employees begin to earn paid annual leave benefits starting on the date of hire and are eligible to use accumulated annual leave ~~after the first pay period~~ after the employee's six (6) months of service with the City. Annual leave shall be earned according to the following table.

Years of Service on Anniversary Date (From Date of Hire)	Annual Earning Rate	Earning Rate Per Pay Period
Up to 3 years (36 mos.)	10 days (80 hrs.)	3.08 hrs.
3 - 10 years (120 mos.)	15 days (120 hrs.)	4.62 hrs.
10 - 20 years (240 mos.)	18 days (144 hrs.)	5.54 hrs.
20 years (240 mos.) and over	22 days (176 hrs.)	6.77 hrs.

Accrual and Accumulation

Annual leave may be accrued to a maximum accumulation of thirty (30) working days. Accumulated annual leave benefits exceeding thirty (30) days shall not be carried over beyond the end of each calendar year. Payments in lieu of taking annual leave are not permitted.

Payment for Unused Annual Leave

Employees shall be paid for unused accumulated Annual Leave up to a maximum of thirty (30) days at the time of separation from City employment.



SICK LEAVE BENEFITS

Eligible Employees

Full-time, regular employees are eligible to accrue sick leave benefits starting on the date of hire at the rate of 6.15 hours per pay period – twenty (20) days per year, with no limit on maximum accumulation

Permitted Uses of Accumulated Sick Leave Benefits

Accumulated sick leave benefits may be authorized for use by the department head for the following reasons:

- *Employee Incapacity.* Employees may be approved to use accumulated sick leave benefits when they are incapacitated and unable to work due to non-work related illness or injury, or for medical, dental and optical appointments, treatments or examinations or for absences when they are released by a medical provider to return to work but with temporary work restrictions requiring a temporary reduced or intermittent work schedule.
- *Care for Immediate Family Members.* Up to a maximum of five (5) days per calendar year of accumulated sick leave benefits may be approved to provide compensation during absences to care for a member of the employee's immediate family (as defined below) when it is necessary for the employee to personally care for the family member while he/she is incapacitated, or to personally accompany the immediate family member to medical, dental and optical appointments, examinations or treatments. To be eligible for paid sick leave during such absences, the employee must provide sufficient information for the supervisor or department head to determine that the employee's absence is necessary to accompany the immediate family member for medical, dental or optical examinations or treatments, including the type of assistance or care the employee provided, or will provide, to the immediate family member, and to determine if such absence is FMLA-qualifying

Employees are expected to make every effort to plan ahead and schedule all routine, non-emergency appointments early in the day before work, or at the end of the day, or as otherwise directed by their supervisor or department head.

Employees with routine appointments scheduled early in the work day or during the work day, or who require immediate medical treatment, are expected to report to work following the appointment or treatment unless they or their family member are incapacitated and unable to work and the extended absence is medically recommended as necessary. The department head (or authorized designate) may require the employee to provide medical verification certifying the employee's need to be absent for the duration of the absence.

Scheduling Non-Emergency Appointments

Before making routine, non-emergency medical, dental or optical appointments employees are expected to consult with their department head or supervisor before making the appointments as far in advance as possible to ensure that absences can be planned at times to least affect the work schedule of the employee and/or the department. Failure to do so may result in denial of leave.

Medical Verification of the Need for Leave

Employees must provide medical verification in a form approved by the City of the need for medical leave for any sick leave absence lasting or expected to last in excess of three (3) working days. **Forms are available in each department and in the Human Resources Department for employees' use.** If the City disagrees with the medical opinion provided by the employee's medical provider, the City, at its expense, may require a second medical opinion. In the event the first and second medical opinions differ, the City may acquire, at its expense, a third medical opinion. The medical provider for the third medical opinion will be selected jointly by the City and the employee. The third medical opinion will be binding on both parties.

Return to Work Fitness for Duty Release.

A medical fitness for duty release is required for all employees who return to work from medical leave of any kind that exceeds three (3) working days.



Restrictions on Use of Accumulated Sick Leave Benefits

- Sick leave benefits shall not be used to provide compensation during absences caused by on-the-job injuries or illnesses. Workers' Compensation Benefits provide the exclusive remedy for on-the-job injuries and illnesses.
- Employees released by a medical provider to return to work with or without temporary work restrictions, are no longer eligible to use accumulated sick leave benefits because they are no longer incapacitated or unable to work.
- Employees who refuse temporary light duty that is available and permissible within the employee's medically-prescribed temporary work restrictions are not eligible to use accumulated sick leave benefits to remain off work. However, employees on designated FMLA leave who are medically released to return to work with temporary work restrictions may lawfully decline an offer of a temporary light duty assignment. However, the remainder of the employee's FMLA leave entitlement will be unpaid unless the employee has other accumulated paid leave available.
- Employees absent from their City job who are found working for another employer are not eligible to use sick leave benefits.

Misrepresentations

False claims of sickness in order to avoid work and draw paid sick leave benefits will not be tolerated. When it is found that an employee has falsely misrepresented the reasons for an absence, appropriate action will be taken that may include, but is not limited to, denial of paid leave benefits, charging available annual or personal leave in lieu of sick leave benefits, or disciplinary action including discharge.

Immediate Family Definitions

Paid Sick Leave Benefits

Immediate family for purposes of paid sick leave benefits is spouse, child, parent, sibling, grandparent, parents-in-law, and if living under the same roof with the employee, any relative or relative by marriage for care of a family member.

FMLA Leave Entitlements

The FMLA defines immediate family as child, spouse, or parent. During FMLA leave involving an employee's child, spouse or parent, the current policy maximum of five (5) days per year of the employee's accumulated paid sick leave benefits will be substituted to provide compensation.

FMLA Sick Leave Bonus

Employees who exceed the number of minimum absences required to obtain the attendance bonus (regardless of whether the absences are FMLA qualified) will **not** be eligible to receive the bonus.

Eligibility for Payment of Unused Accumulated Sick Leave

Employees who retire, resign or die while in service are eligible for payment of unused accumulated sick leave after completion of ten (10) years' service at the regular rate of pay in effect at the time of resignation, retirement, or death up to the maximum shown in the schedule below. Employees discharged for cause shall not receive payment for unused sick leave. If an employee dies in service, the employee's beneficiary is entitled to receive payment for unused sick leave and annual leave that the employee would have been entitled to receive if upon resignation or retirement.

Payments for unused accumulated sick leave are limited to the years of service and amounts shown in the following schedule.

YRS.OF SERVICE	RATE OF PAYMENT FOR UNUSED SICK LEAVE UPON RETIREMENT, RESIGNATION OR DEATH AFTER COMPLETION OF 10 YEARS' SERVICE.
10 years	100% of accumulated sick leave up to maximum of 480 hours (60 days)
20 years	100% of accumulated sick leave up to 480 hours (60 days) plus 50% of the accumulated sick leave in excess of 60 days, not to exceed a maximum payment of 720 hours (90 days).

Sick Leave Bonus

Upon the accumulation of sixty (60) days of sick leave, employees are eligible to receive a bonus payment for sick leave earned,

but not used, during the following calendar year as indicated by the following table. Absences that have been designated as FMLA leave **shall be counted** in the number of sick leave absences for purposes of calculating eligibility for bonus payments.

Method of Calculation

PREVIOUS YEAR'S SICK LEAVE USE	PAYMENT FOR PREVIOUS YEAR'S UNUSED SICK LEAVE ACCUMULATION
0 – 3 days (0-24 hours)	\$10/day for remainder of yearly accumulation (Maximum: \$200.00)
4 – 6 days (25-48 hours)	\$5/day for remainder of yearly accumulation (Maximum: \$80.00)
7 or more days (49 or more hours)	- 0 -

If an employee uses any part of a day over 3 days (24 hours) or 6 days (48 hours), it is considered the next category for purposes of calculating the amount of the sick leave bonus payment.

Maximum Payable

Sick leave bonus shall not exceed \$200.00 per year. Payment shall be made on or before ~~January 31~~ February 28 of each year following the year in which the sick leave was earned and not used.