

**CITY OF STEVENSON  
HRA VEBA POLICY & GUIDELINES**

The City of Stevenson (“Employer”) has adopted the HRA VEBA plans offered and administered by the Voluntary Employees’ Beneficiary Association Trust for Public Employees in the Northwest (collectively the “Plans”): the **Standard HRA Plan**, which shall be integrated with the Employer’s or another qualified group health plan and to which the Employer shall remit contributions on behalf of eligible employees who are enrolled in or covered by such qualified group health plan and any other contributions that may be permitted by applicable law from time to time; and the **Post-separation HRA Plan** to which the Employer may remit contributions on behalf of eligible employees, including eligible employees who are not enrolled in or covered by the Employer’s or another qualified group health plan, and which shall provide benefits only after a participant separates from service or retires. Employer shall contribute to the Plans on behalf of all non-represented employees (“Group”) defined as eligible to participate in the Plans. Each eligible employee must submit a completed and signed Enrollment Form or enroll online to become an eligible participant and become eligible for benefits under the Plans.

**Contributions on behalf of each eligible employee shall be based on the following selected funding sources/formulas.:**

- Sick leave, vacation, personal, and other leave cash-outs upon separation from service or retirement.** Eligibility is limited to employees who retire or separate from service with leave cash-out rights during the term hereof. Employer contributions shall include the entire cash-out value of all unused leave days (sick, vacation, personal, PTO, etc.) accrued and available for cash-out upon retirement or separation from service per Employer policy.
- Vacation Leave Contributions – Annual:** Eligibility for contributions on an annual basis is limited to employees who become eligible to receive an annual vacation leave cash-out pursuant to applicable written agreement, Employer policy, or procedures during the term of this Employer Policy.
- Mandatory employee contributions** (no individual elections permitted). The Employer shall change the Group’s compensation package such that eligible employees shall receive additional benefits in the form of HRA VEBA Plan contributions equal to \$30, which shall be contributed on a monthly basis and each eligible employee’s salary shall be reduced by an equal amount. Such contributions shall be made on behalf of all Group employees defined as eligible and shall be considered and referred to as Employer contributions.
- Employer contribution in lieu of medical insurance.** Eligibility is limited to employees waiving medical insurance coverage and providing proof of coverage under another employer-sponsored medical insurance plan. Employer contributions shall include the amount the Employer would have otherwise paid toward the cost of the waived medical insurance coverage on behalf of such employee.
- Direct Employer contributions.** Eligibility is limited to all active employees who have enrolled in the Employer’s high-deductible health plan. Employer contributions shall be equal to \$20, which shall be contributed on a monthly basis on behalf of all eligible Group employees.