

**Shawn Warnke**

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**From:** James D. Hammer <James.Hammer@urs.org>  
**Sent:** Friday, October 21, 2016 2:07 PM  
**To:** Shawn Warnke  
**Cc:** Linsey Nessen  
**Subject:** RE: Benefits Normally Provided

Hi Shawn,

You are correct. Those items would not be considered benefits normally provided. There are essentially four categories of benefits that would serve as "benefits normally provided":

1. Leave benefit of any kind
2. Insurance where employer pays all or part of the premiums
3. Retirement benefit where employer pays at least some of the contributions
4. Employer contributions to H.S.A. or H.R.A.

Thank you,

**James Hammer**

Compliance Manager  
Records Management  
Utah Retirement Systems  
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**From:** Shawn Warnke [mailto:swarnke@tremontoncity.com]  
**Sent:** Friday, October 21, 2016 1:29 PM  
**To:** James D. Hammer  
**Cc:** Linsey Nessen  
**Subject:** RE: Benefits Normally Provided

Good afternoon James

Thank you for the guidance on the Resolution and State Code. I read through the state code and did not see any specific guidance on such issues as Employee Assistance Programs; years of service awards; holiday gift certificates; etc. I am guessing that these are not considered benefits normally provided, but always like to make sure I understand applicable URS rules and policies. Any guidance would be appreciated. Thanks Shawn

**From:** James D. Hammer [mailto:James.Hammer@urs.org]  
**Sent:** Thursday, October 20, 2016 11:55 AM  
**To:** Shawn Warnke

**Cc:** Linsey Nessen  
**Subject:** RE: Benefits Normally Provided

Hi Shawn,

Board Resolution 2012-09 is the latest resolution on file for this topic, however the legislature subsequently created their own definition of "Benefits Normally Provided" in Title 49 (§ 49-12-102 and §49-13-102) that takes precedence.

What is stated in statute now is not much different than the board resolution, and seems to be largely based on the board resolution, but it is the true reference point now.

Thank you,

James Hammer  
Compliance Manager  
Records Management  
Utah Retirement Systems  
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**From:** Shawn Warnke [mailto:swarnke@tremontontcity.com ]  
**Sent:** Wednesday, October 19, 2016 5:15 AM  
**To:** James D. Hammer  
**Cc:** Linsey Nessen  
**Subject:** Benefits Normally Provided

Good morning James

Hope this email finds you well. The City is working on updating its personnel policies and procedures and the City has included a copy of Resolution 2012-09 in our appendix for guidance on "Benefits Normally Provided". I wondered if this Resolution has been updated and if so if you could provide the City with an updated Resolution. As you may know the Resolution (see excerpt below) grants authority to the Executive Director of URS to determine what constitute benefits not listed as "Benefits Normally Provided". I anticipate that this clause was included to provide flexibility, but as a City I was wondering if you could tell us what the Executive Director has determined to give us more guidance on what benefits might or might not require enrollment in URS. Thanks Shawn

**THEREFORE BE IT FURTHER RESOLVED that for those benefits not listed, the executive director shall have sole discretion to determine what constitutes a benefit under this resolution.**

## **Linsey Nessen**

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**From:** James D. Hammer <James.Hammer@urs.org>  
**Sent:** Friday, December 06, 2013 8:03 AM  
**To:** Shawn Warnke  
**Cc:** Linsey Nessen  
**Subject:** RE: Compliance

Hi Shawn,

Sorry for the delay in responding.

Your understanding of Resolution 2012-09 is mainly correct, however the office has a broader and more employer-friendly interpretation than what you have outlined.

As far as premium coverage is concerned, we would allow you to pay the same percentage for employees who are required to be covered by the Affordable Care Act as you would for your full-time staff without recognizing this as a benefit normally provided.

However, offering additional types of coverage (dental or vision) would constitute benefits normally provided assuming that you cover a portion of the premiums.

Thank you,

James Hammer  
Compliance Manager  
Records Management (URS)  
Phone: (801) 366-7786  
Fax: (801) 245-7786

**From:** Shawn Warnke (mailto:swarnke@tremontoncity.com]  
**Sent:** Monday, November 25, 2013 11:45 AM  
**To:** James D. Hammer  
**Subject:** Compliance

Hi James

The City is working on updating its policy and procedures related to the Affordable Health Care Act. I wanted to ensure that the City's policy is in line with avoiding paying retirement contributions. I have been using Board Resolution 2012-09 (see attached document) as the guiding document in drafting the City's policy. If I understand Resolution 2012-09 correctly "Insurance coverage of any kind if the employer pays some portion of the premium for such coverage" is considered "benefits normally provided". There is another statement later on in the Resolution that states that benefits normally provided shall not include "any benefits required by law".

The City generally knows and can control employees work schedules to avoid offering insurance and URS retirement. There are part-time employees that have variable work schedules that might qualify for the Health Coverage by virtue of the Affordable Health Care Act. It would be my understanding that if the City does have part-time

variable scheduled employee that qualify for Health Coverage under federal law that the City can do the following without having to enroll this employee in the URS system:

- Offer only health insurance as "required by law" (and not include dental and vision insurance as dental and vision insurance is not required by law)
- Pay only the portion of the premium that is "required by law" (and not pay the same premium amount that the City pays for other employees). The Affordable Health Care Act requires that the insurance that the City offers employees that qualify to be no more than nine and a half (9.5) percent of the employee's household income. For all other employees the City pays 90% of the insurance premium.

Can you verify that my understanding of the Resolution 2012-09 is correct and that what the City is proposing is in line with not providing "benefits normally provided" so that the City does not have to make URS contributions for these part-time variable employees? Thanks Shawn

Shawn Warnke  
Tremonton City Manager  
435-257-9504