



TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, including back up information, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

MEETING INFORMATION

Date Submitted: May 1, 2018

Date of Meeting: May 10, 2018

Submitted by: Finance Director Paul T. Micali

Department: Finance

Time Required: 10 minutes

Speakers:

Background Info. Supplied: Yes: ☒ No: ☐

CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment: ☐

Recognition/Resignation/
Retirement: ☐

Public Hearing: ☐

Old Business: ☐

New Business: ☒

Consent Agenda: ☐

Nonpublic: ☐

Other: ☐

TITLE OF ITEM

Short-term Disability (STD) Insurance Non-Union

DESCRIPTION OF ITEM

The Town Council to consider the approval of the recommended change to the Personnel Policy Manual maximum short-term disability weekly benefit amount from \$700 to \$2,000.

REFERENCE (IF KNOWN)

RSA: Warrant Article: _____

Charter Article: Town Meeting: _____

Other: N/A

EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector: ☐

Grant Requirements: ☐

Easel: ☐

Joint Meeting: ☐

Special Seating: ☐

Other: ☐

Laptop: ☐

None: ☐

CONTACT INFORMATION

Name: Paul T. Micali Address: 8 Baboosic Lake Road

Phone Number: 424-7075 Email Address: pmicali@merrimacknh.gov

APPROVAL

Town Manager: Yes ☒ No: ☐ Chair/Vice Chair: Yes ☒ No: ☐

Hold for Meeting Date: _____

Memo



TO: Town Council
ATTN: Town Manager Eileen Cabanel

FROM: Finance Director Paul T. Micali

DATE: May 3, 2018

RE: **Short-term Disability (STD) Insurance Non-Union**

As many of you may recall, during this year's budget process, Eileen talked about increasing the full-time non-union employee STD Insurance weekly benefit amounts that are currently 70% of the base wage up to \$700 per week to 70% of base wage up to \$2,000 per week. This change will allow all current full-time employees to receive 70% of their base weekly pay when they are out of work on an approved short-term disability insurance qualifying absence. This change in benefits would cost about \$9,000 for the fiscal year and is accounted for in the approved budget effective July 1, 2018.

Attached you will find the current Disability Insurance language from the Personnel Policy Manual marked up to reflect the change to a \$2,000 maximum weekly benefit. As you can see, this is the only change that Eileen is proposing to this section.

In an effort to implement this change effective July 1, 2018, the following is needed from the Town Council:

1. Approve the change to the Personnel Policy Manual maximum STD benefit amount from \$700 to \$2,000
 - a. Suggested Motion language
 - i. "Approve the change to the maximum amount of the weekly short-term disability benefit from \$700 to \$2,000 in the personnel policy manual as presented in the back-up provided by staff."

DISABILITY INSURANCE

1. Full-time employees shall receive short-term disability insurance coverage providing a weekly benefit equal to the lesser of 70% of their base weekly wages or ~~\$700~~**\$2,000**.00 for a 26-week period. This benefit shall be payable from the first day of a covered accident or the eighth day of a covered illness.
2. The Town shall pay 100% of the related premiums.
3. During a covered absence, an employee's disability benefits shall be augmented up to 100% of his or her base weekly wage by the Town through the use of accrued sick, vacation or personal leave. Augmentation shall be discontinued when accrued leave balances have been exhausted. While the Town is making such augmentation payments to the employee, all related disability benefit checks from the insurance carrier shall be endorsed to the Town. The Town agrees to credit the Employee's accrued leave balances in direct proportion to the disability benefit checks received by the Town to the extent that the leave accounts were deducted at the rate of 100% prior to the determination of eligibility for disability.
4. An employee that becomes eligible for a weekly disability benefit must apply for that benefit.
5. The Town and/or its disability insurance carrier shall have the right to request updates of medical information during a covered absence and to designate a physician for a related medical examination, for which the Town shall pay the cost.
6. Any covered absence must be supported by a physician's statement that outlines the nature of the employee's disability and that provides an estimated date for the employee's return to full duty. Immediately upon an employee's return to duty from a covered absence, he or she shall provide to the Town a physician's statement certifying employee's fitness for duty.
7. During a covered absence, an employee shall not engage in any form of employment.
8. The long-term disability insurance program that is currently available for full-time employee participation at their own expense shall continue to be offered solely at the Town's option, so long as it remains obtainable from an insurance carrier.