



## CITY OF GREEN BAY

### Plan Document and Summary Plan Description Retiree Reimbursement (Escrow) Fund

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#### INTRODUCTION

The City of Green Bay is pleased to offer a Retiree Reimbursement (Escrow) Fund benefit to help eligible employees pay for medical and dental premium expenses after retirement from City employment. The employee's accumulated sick leave and employee-elected deferred vacation leave is converted at retirement to a dollar value that can be used to pay for health and dental insurance premiums for an eligible City retiree and their spouse and eligible dependent children.

Conversion of leave time occurs as provided by the City's policies, this Summary Plan Description and Plan Document and the City's other benefit plans. Retirees must receive a letter from the Wisconsin Retirement System (WRS) confirming they have been approved and will begin receiving their WRS retirement benefit immediately following termination of employment with the City to be eligible to receive premium reimbursements through the Retiree Reimbursement (Escrow) Fund. The retiree will not be eligible to receive converted sick or vacation leave time through the Retiree Reimbursement (Escrow) Fund unless the City has received this letter of confirmation from the WRS.

To fully understand this benefit, please read this Plan Document and Summary Plan Description carefully and keep it for future reference. Please share this document with your family and make sure they understand it. One of your responsibilities is to make sure the Human Resources Department has your current mailing address and contact information. Failure to provide the City with current contact information or otherwise follow the Plan terms could result in delay, reduction, denial or termination of Plan participation.

The City of Green Bay values your service as a City employee. As always, the City welcomes your questions and feedback about the Plan. Please let Human Resources know if they can be of assistance.

#### PURPOSE

- 1.1 The City of Green Bay, Wisconsin, ("City"), the Employer, has established a Retiree Reimbursement (Escrow) Fund ("Plan") for the benefit of its retirees and their families. The purpose of this Plan is to reimburse eligible retirees, their spouses and dependents for certain health and dental plan expenses that are not otherwise reimbursed.
- 1.2 For each year of active City employment, City employees make a mandatory deferral of unused sick leave and an elective deferral of unused vacation hours to the Retiree

Reimbursement (Escrow) Fund. The value of each employee's unused sick leave and deferred vacation hours is used to help pay for the employee's health and dental plan premiums on a tax-free basis during retirement.

- 1.3 This document serves as both the Plan Document and the Summary Plan Description (SPD) for the Retiree Reimbursement (Escrow) Fund. This SPD describes the basic features of the Plan and how it operates. It is very important to review this document carefully to confirm a complete understanding of the benefits available and the responsibilities under the Plan.
- 1.4 The exclusive purpose of this Plan is to provide the health and dental plan benefits described herein for eligible retirees and their family members. No benefits payable under this Plan shall be applied for any other purpose.

### BENEFIT DESCRIPTION

- 2.1 It is the City's intent that this Plan qualify as a retiree medical reimbursement plan for purposes of sections 105 and 106 of the Internal Revenue Code, as amended ("Code"), and the benefits payable to retirees under the Plan be eligible for exclusion from retirees' gross income under those sections as well as Rev. Rulings 75-539 and 2005-24.
- 2.2 Under no circumstances will the amounts placed into the Retiree Reimbursement (Escrow) Fund under this Plan be paid out to or made available to employees or retirees as cash payments.
- 2.3 Under this Plan, accumulated sick leave and employee-elected transferred vacation leave can be accrued on an annual basis. At full retirement, the accrued sick leave and converted vacation will convert to a dollar value and the converted amount may be used to reimburse the retiree for post-retirement health insurance premiums (the "Retiree Reimbursement (Escrow) Fund").
- 2.4 This Plan is "self-insured" which means benefits are paid from the City's general assets. The Plan is not funded and does not bear interest or accrue earnings of any kind. There is no trust or other fund from which benefits are paid. In no event may any benefits under the Plan be funded with Participant contributions.

### PROGRAM OR ARRANGEMENT SUBJECT TO CHANGE

- 3.1 The City intends that this Plan is to be used exclusively to reimburse eligible retirees and their families for the post-retirement cost of health and dental insurance premiums. Nothing herein shall prevent the City from revising, amending or terminating this Plan, provided such amendment or termination shall not affect a Participant's rights to benefits hereunder with respect to reimbursable expenses that were incurred prior to the date the City action is taken to terminate the Plan or the effective date of such termination, whichever occurs later.
- 3.2 Subject only to its obligations under an existing collective bargaining agreement, the City reserves the right to revise, amend or terminate the Plan at any time for any reason in its sole discretion.

## PLAN YEAR

- 4.1 The records of the Plan are kept on a calendar year basis. The Plan Year is the calendar year.

## ELIGIBILITY

- 5.1 Employees of the City, as defined in section 132 of the Code, will, upon full retirement, be eligible to participate in this Plan except:
- (a) members of a bargaining unit covered by a collective bargaining agreement, when the City has bargained separately and in good faith on the subject of retiree health and dental benefits and where the obligations under an existing collective bargaining agreement vary from this SPD;
  - (b) nonresident aliens who receive no U.S.-source income from the City for the Plan Year;
  - (c) employees who reside outside of the United States at any time during Plan participation;
  - (d) independent contractors or temporary employees otherwise not employed by the City; and
  - (e) employees employed by the City after March 25, 2011, except employees classified as a protective occupation employee (police officer or firefighter).
- 5.2 An employee who has fully retired from employment with the City is eligible to participate in this Plan ("Eligible Retiree"). Full retirement means that the City has received a letter from the Wisconsin Retirement System (WRS) stating that WRS has accepted the employee to receive a WRS retirement benefit with a projected termination date. Full retirement includes any protective occupation employee whom WRS has accepted to receive a Duty Disability Benefit.

## PARTICIPATION

- 6.1 Eligible Retirees who become covered under the Plan are called "Participants." On the date the Retiree has fully retired pursuant to applicable WRS requirements and completed any enrollment forms or procedures required by the Plan Administrator, the Retiree will become a Participant under the Plan.
- 6.2 The Participant's spouse and dependents shall be eligible to participate in this Plan. Note that the Eligible Retiree must be a Participant in the Plan before an eligible dependent, including a spouse, may become a Participant. An eligible dependent, including a spouse, may be a Participant in the Plan only if and when the Eligible Retiree becomes a Participant. Dependents are those who qualify as dependents under section 152 of the Code. A Participant's spouse or dependent that ceases to qualify as such shall cease to participate in this Plan as of the last day of the month in which they cease to qualify.
- 6.3 A Participant can use the Retiree Reimbursement (Escrow) Funds to pay the retiree

premium for the City-sponsored active group health plan, the premium for the City-sponsored retiree health plan and/or the premium for the City-sponsored dental plan as established by the City from year to year. The Participant must provide written notice to the Human Resources Benefits Office at least two weeks prior to the beginning of the month in which the Participant would like coverage to begin.

- 6.4 A Participant can also use the Retiree Reimbursement (Escrow) Funds to purchase health and/or dental insurance other than the plans offered by the City. Retiree Reimbursement (Escrow) Funds may be used to purchase outside health and/or dental insurance for the Participant or for family coverage that includes the Participant.
- 6.5 Retiree Reimbursement (Escrow) Funds may be “frozen” until the Participant decides to use the Retiree Reimbursement (Escrow) Funds to purchase outside insurance or to enroll in one of the City-sponsored health and/or dental plans if eligible under the terms of the City-sponsored plans.
- 6.6 The Plan shall provide benefits in accordance with the applicable requirements of any qualified medical child support order (“QMCSO”) as defined in section 609 of the Employee Retirement Security Act of 1974 (“ERISA”) relating to a child of a Participant. Benefits payable pursuant to a QMCSO shall be reimbursed to the child’s custodial parent or legal guardian or a government agency, as directed by the QMCSO. The Plan shall provide benefits under any National Medical Support Notice (“NMSN”) treated as a QMCSO under the Plan’s QMCSA and NMSN procedures. All QMCSO and NMSNs shall be administered in accordance with the Plan’s procedures.
- 6.7 Employees who terminate their employment with the City for any reason other than retirement will forfeit their rights under the Plan. Upon any non-retirement termination of an employee’s employment with the City, all rights of such employee (including the eligible spouse or dependent of the employee) to receive benefits under this Plan for health or dental plan premiums incurred after the termination date shall be forfeited.

#### TERMINATION OF PARTICIPATION

- 7.1 An Eligible Retiree will cease being a Participant on the earlier of:
  - (a) the date the Participant stops being an Eligible Retiree for any reason;
  - (b) the date the Participant is rehired by the City as a benefits-eligible active employee or becomes covered under any other active employee group health or dental plan for any reason;
  - (c) the Participant’s date of death;
  - (d) a date mutually agreed upon in writing between the City and the Participant;
  - (e) the effective date of any Plan amendment that terminates the Participant’s eligibility under the Plan; or
  - (f) The date the Plan is terminated.
- 7.2 A Participant’s dependent, including the Participant’s spouse, will cease being a participant in the Plan on the earlier of:

- (a) the date dependent ceases being an eligible dependent for any reason;
- (b) the date the retired employee is rehired by the City or the dependent is hired by the City as a benefits-eligible active employee or becomes covered under any other active employee group health or dental plan for any reason;
- (c) in the case of an eligible dependent spouse, the date of a divorce between the spouse and the Participant;
- (d) the dependent's date of death;
- (e) the effective date of any Plan amendment that terminates the Participant's or the dependent's eligibility under the Plan; or
- (f) the date the Plan is terminated.

7.3 Reimbursement of eligible health or dental plan premiums is not allowed for expenses incurred after the date the Participant, the Participant's spouse or dependent's eligibility ceases. A Participant will have 180 days after Plan participation terminates to request reimbursement of eligible health or dental plan premiums that the Participant or their spouse or dependent incurred before Plan participation was terminated.

## BENEFITS

- 8.1 The City shall pay to each Participant such amounts as the Participant paid for qualifying health or dental plan premiums for self, self and spouse or self, spouse and dependents during Plan participation, subject to the Plan limits described below.
- 8.2 At full retirement, the Participant's accumulated sick leave and employee-elected vacation leave will be converted to a dollar value to be used to pay the benefits under this Plan as follows:
- (a) Employees from all City departments except Sworn Police and Fire Fighters will use a conversion in which:
    - (1) Accumulated sick leave hours will convert to a dollar value based on the Participant's hourly rate of pay on the Participant's date of full retirement.
    - (2) Employee-elected transferred vacation leave will convert to a dollar value based on the Participant's hourly rate of pay at the time the vacation leave is transferred.
  - (b) Sworn Police and Fire Fighters will use a conversion in which:
    - (1) Accumulated sick leave hours will convert to a dollar value based on the Participant's hourly rate of pay on the Participant's date of full retirement.
    - (2) Employee-elected vacation leave will convert to a dollar value based on the Participant's hourly rate of pay on the Participant's date of full retirement.
- 8.3 Dependent means a dependent as defined in section 152 of the Code, or a child legally adopted by the Participant.

## LIMITATION ON BENEFITS PROVIDED

- 9.1 No Participant shall be entitled to receive more than the value of their accrued leave in reimbursements under this Plan during Plan participation or for any calendar year. For this purpose, Retiree Reimbursement (Escrow) Funds paid as premium reimbursements for the Participant's spouse or dependents will be considered to have been received by the Participant.
- 9.2 If a Participant does not use all of their credited Retiree Reimbursement (Escrow) Funds during a Plan Year, those amounts will carry over to subsequent Plan Years and may be used for eligible premium reimbursement incurred during subsequent Plan Years.
- 9.3 If the Participant dies, the surviving spouse and eligible dependents are eligible to apply Retiree Reimbursement (Escrow) Funds to the purchase of City-sponsored retiree health insurance and/or dental plan premiums if the spouse and/or dependent were enrolled in the plan at the time of the Participant's death.
- 9.4 Any funds remaining in the Participant's Retiree Reimbursement (Escrow) Fund after the Participant's death, the death or remarriage of the Participant's surviving spouse or the death or ineligibility of dependent children shall revert back to the City.
- 9.5 The City reserves the right to amend or terminate retiree medical coverage and any applicable subsidized premium at any time for any reason in its sole discretion subject to the City's obligations under applicable law. Employees and retirees do not have vested benefits in the City's group health or dental plan(s) or this Plan, including any balances in the Retiree Reimbursement (Escrow) Fund. This Plan may be amended or terminated by the City at its discretion at any time.
- 9.6 An employee's classification as an Eligible Retiree or Participant by the Plan Administrator is conclusive and binding for purposes of determining benefit eligibility under the Plan. No reclassification of an employee or non-employee's status for any reason by a third party shall make the employee retroactively or prospectively eligible for benefits.

## BENEFITS FROM ANOTHER SOURCE

- 10.1 Reimbursement under this Plan shall be made only in the event, and to the extent, that reimbursement for amounts expended or payment for health or dental plan premiums is not paid under any other insurance policy or under any other plan of the City or of another employer or under any federal or state law including TRICARE or VA medical or dental coverage. If there is such a policy, plan or law in effect providing for such reimbursement or payment in whole or in part, then, to the extent of the coverage under such policy, plan or law, the City shall be relieved of any and all liability hereunder.
- 10.2 Any Participant or dependent, including the Participant's spouse, who becomes entitled to enroll in Medicare is required to enroll in Medicare on the earliest possible date after enrollment eligibility. Failure to enroll in Medicare within 60 days of eligibility may result in termination of Plan participation.

- 10.3 Reimbursement under this plan will be subject to the Medicare coordination of benefits rules. This means that Medicare may be the Participant's primary insurer and the City or other group health plan may be the retiree's secondary insurer if the retiree qualifies for Medicare coverage.
- 10.4 When the Participant reaches age 65, any funds remaining in the Participant's account may be used to purchase supplemental Medicare insurance for the Participant or, if the Participant is deceased, health or dental plan coverage for the Participant's surviving spouse and dependents, until the account is depleted. After the account is depleted, the Participant will pay all monthly premiums directly to the insurer.

#### NO CONTINUATION OF PLAN PARTICIPATION

- 11.1 Continuation of Plan participation under COBRA is not available to Participants, their spouses or their dependents under this Plan.

#### CLAIMS AND CLAIMS REVIEW PROCEDURE

- 12.1 Claims for retiree health or dental plan benefits shall be made in the manner prescribed by the City of Green Bay Health Booklet for Benefit Plan(s) 003, 004 as amended from time to time or its replacement as designated by the City.
- 12.2 Appeals for denial of a claim for retiree health or dental plan benefits shall be made in the manner prescribed by the City of Green Bay Health Booklet for Benefit Plan(s) 003, 004 as amended from time to time or its replacement as designated by the City.

#### ADMINISTRATION

- 13.1 The City is the Plan Administrator and shall have authority and responsibility to control and manage the operation and administration of this Plan. The Plan Administrator shall have discretion, authority and responsibility to interpret terms of the Plan and make final decisions on all factual and legal matters regarding Plan. The Plan Administrator shall interpret and construe the Plan and any ambiguous or unclear terms, and determine whether a Participant is eligible for benefits and the amount of benefits. The Plan Administrator's decisions are final, conclusive and binding on all parties.

#### TAX STATUS OF BENEFITS

- 14.1 The Plan is intended to meet certain requirements of existing federal and state tax laws, under which the benefits received are generally not taxed to the Participant. However, the City cannot guarantee the tax treatment to any given Participant, as individual circumstances may produce different results. If there is any doubt, the Participant should consult their own tax advisor.

#### MISCELLANEOUS

- 15.1 *Construction of Terms.* All references to the plural shall be deemed to include the singular and vice versa, all as proper construction shall dictate.

- 15.2 *Governing Law.* To the extent not preempted by federal law, questions concerning the proper interpretation of the terms of this agreement shall be determined in accordance with the laws of the State of Wisconsin.
- 15.3 *Availability of Documents.* The Plan Administrator shall keep a copy of this plan document and any other disclosure documents relating thereto (including, but not limited to, summary plan descriptions) that are in the public domain on file at the office where Participants may inspect them during the City's regular business hours. Upon request, the City shall provide a Participant or covered dependent with copies of such documents. When the Plan Administrator provides such documents, the Plan Administrator may charge the requesting party a reasonable charge for photocopying.
- 15.4 *Plan Document Governs.* This document contains all operative provisions of the Plan. Any conflict between the provisions of this document and any other documents purporting to explain the rights, benefits, or obligations of the parties hereunder shall be resolved in favor of this Plan document. In the event that a tribunal of competent jurisdiction shall determine in a final judgment or decree that one or more of the provisions of this Plan is invalid due to the provisions of applicable law, this Plan shall be interpreted as if the offending language had been stricken from its provisions and the remainder of the Plan document shall continue in full force and effect.

For the City of Green Bay:

/s/ Lynn M. Boland  
Lynn M. Boland  
Human Resources Director

March 21, 2017  
Date

## FREQUENTLY ASKED QUESTIONS

- 1. An employee who has family coverage retires from City employment. The employee is not married on the date of retirement but later marries and/or has or adopts a child. Will the new spouse and child be able to enroll in the retiree's family coverage?**

Generally, yes, but the terms of the group health plan define who is considered an eligible group health plan participant. If the retiree's group health plan covers a new spouse or dependent as an eligible group health plan participant, Retiree Reimbursement (Escrow) Funds may be used to continue to pay the family coverage premiums for the plan, if all other Retiree Reimbursement (Escrow) Fund requirements are met.

- 2. Can Employee A and Employee B receive reimbursement for their single coverage under one spouse's Retiree Reimbursement (Escrow) Fund? In other words, can they use one spouse's fund until it is depleted and then use the second spouse's fund to pay the two single coverage premiums?**

### SCENARIO

- Retiring employee with family health coverage (Employee A).
- Spouse retired from City employment with single coverage and froze their account at retirement (Employee B).
- Employee A is currently covering Employee B under the City's active family health plan.
- When Employee A retires, they would like to drop family coverage and take single coverage under the City's plan.
- Employee B would also like to move back to single coverage under the City's plan when Employee A retires.

### **Can Employee A and Employee B use Employee A's Retiree Reimbursement (Escrow) Fund to pay for single retiree health plan coverage for Employee A and also for Employee B?**

No. For City-sponsored retiree group health and dental plans, the level of coverage (e.g., single, plus one or family) that the employee selected as of the date of retirement determines the maximum level of coverage available to the employee during retirement. If the employee retired with family coverage and continues to pay the family premium, escrow funds can be used to continue family coverage in retirement. If the employee retires with single coverage in a City-sponsored active employee plan, single coverage will be their only option in retirement, even if they freeze their account and later re-enroll in a City-sponsored retiree plan. A retiree can reduce from family to single coverage under a City retiree plan but cannot increase coverage in a City retiree plan after retirement.

In this situation, the retiring employee (Employee A) is currently covering the retired employee (Employee B) under Employee A's family coverage but both want to go to single coverage. Employee A and Employee B cannot each enroll in single coverage and obtain reimbursement only from one spouse's Retiree Reimbursement (Escrow) Fund. Under this scenario Employee A and Employee B are individual retirees each carrying single coverage.

The rules for single coverage apply and they are not eligible to use funds from another retiree's escrow account to reimburse their single coverage premium, even if it is their spouse.

Retirement is a qualifying event so Employee A can change from family to single coverage at retirement. If Employee A changes to single coverage at retirement, Employee A cannot re-enroll in family coverage under the City's plan at a later date. Similarly, Employee B is losing family coverage due to Employee A's retirement. This is also a qualifying event that will allow Employee B to unfreeze their Retiree Reimbursement (Escrow) Fund and re-enroll in single coverage under the City's retiree health plan. Each retiree would have to use their own Retiree Reimbursement (Escrow) Fund to cover the cost their single coverage under the City's plan.

To continue to be reimbursed under one spouse's Retirement Reimbursement (Escrow) Fund, Employee A would have to continue family coverage at retirement. This would allow Employee A and Employee B to use only Employee A's Retiree Reimbursement (Escrow) Fund to pay for the cost of their family coverage under the City's active health plan. In this case, Employee B's Retiree Reimbursement (Escrow) Fund would remain frozen. Employee B will be able to unfreeze and use their Retiree Reimbursement (Escrow) Fund for single coverage in the future (e.g., when Employee A's escrow fund is depleted).

Please note that Retirement Reimbursement (Escrow) Fund funds are not limited to City-sponsored retirement plans. A City retiree can use their escrow funds to obtain reimbursement for outside group or individual health or dental plan premiums as long as the premiums are paid with after-tax dollars. For example, a retiree could purchase outside individual coverage and use escrow funds to reimburse the cost of the premiums. For outside coverage, the retiree can use escrow funds to reimburse premiums for any level of coverage – single, plus one or family – regardless of the level of coverage the retiree had under a City plan at retirement. A retiree cannot return to City retiree coverage once they have used their escrow fund to reimburse coverage through an outside plan.

- 3. My spouse was on my family health coverage at the time of my retirement from the City, and I chose to freeze my retiree reimbursement (escrow) fund at the family coverage level. Since that time, I have been on my spouse's health care through another employer. My spouse is planning on retiring from their employer and I want to unfreeze my Retirement Reimbursement (Escrow) Fund account. I am 65. When my spouse retires from their employer, is my spouse eligible to re-enroll in the City's health plan and utilize my retiree reimbursement (escrow) fund that had been frozen?**

#### SCENARIO

- **Retired employee had family coverage at retirement and chose to freeze their Retiree Reimbursement (Escrow) Fund at the family coverage level (Retiree A).**
- **Retiree A's spouse was enrolled in the City's Health family plan at the time of Retiree A's retirement.**
- **Since retirement, Retiree A has been covered under their spouse's health plan through**

another employer.

- Retiree A is now 65 and will unfreeze their Retiree Reimbursement (Escrow) Fund to reimburse premiums for a Medicare supplemental plan.
- Retiree A would also like to use their Retiree Reimbursement (Escrow) Fund to reimburse premiums for their spouse who would rejoin the City's Health Plan with single coverage under a City retiree plan option.

**Can Retiree A's spouse enroll in a City retiree plan with single coverage and use Retiree A's Retirement Reimbursement (Escrow) Fund to pay the premium for the spouse's single coverage with the City?**

No. In this case, retired employee (Retiree A) was enrolled in the City's family coverage at retirement and chose to freeze their Retiree Reimbursement (Escrow) Fund. Since retirement, Retiree A has been covered through their spouse's health plan through another employer and is now 65. Retiree A can unfreeze their Retiree Reimbursement (Escrow) fund and rejoin the city's health Plan with family coverage prior to age 65, however at age 65, the retiree is only eligible to use their funds to pay for Medicare supplemental plan premium. Since Retiree A is not eligible for City coverage because they are age 65 or older, the spouse who is not a retired City employee is not eligible to join the City's retiree plans for single coverage.

**4. Under what circumstances would a new spouse or new dependent receive a survivor benefit under the Retiree Reimbursement (Escrow) Fund?**

If the new spouse or dependent is enrolled in family coverage under the City's retiree health plan or dental plan at the time of the retiree's death, the new spouse or dependent would receive a survivorship benefit under the Retiree Reimbursement (Escrow) Fund. The survivorship benefit can be used only to reimburse the new spouse or dependent for City-sponsored retiree group health or dental plan premiums. If the new spouse or dependent becomes ineligible for coverage due to remarriage, aging out, coverage through another employer or another event that terminates retiree coverage, the remainder of the Retiree's Reimbursement (Escrow) Funds will revert to the City. The surviving spouse benefit does not include the ability to "freeze" the account and "unfreeze" it for the surviving spouse's later use.

**5. A retiree with family coverage at the time of retirement continues to maintain family coverage during retirement under the City's retiree health plan. Retiree's dependent under age 26 obtains new coverage with a different employer but loses that coverage while still under age 26. Can the dependent re-enroll in the City's retiree plan as a retiree family member?**

Yes, as long as the retiree's group health plan allows dependents to reenroll when a qualifying event (e.g., loss of other employer-sponsored coverage) occurs.

**6. A retiree with single coverage at retirement is married to another City employee who is not retired and who establishes employee plus spouse coverage under the City's active employee health plan. Can the retiree use Retiree Reimbursement (Escrow) Funds from the Retiree Reimbursement Fund to pay the premium for employee plus spouse coverage under the City's active employee group health plan?**

No. Retiree Reimbursement (Escrow) Funds can only be used to reimburse a retiree for premium payments under the City's health or dental plan or an outside health or dental plan. The Retiree Reimbursement (Escrow) Funds cannot be used to pay for part or all of an active employee's pre-tax premium under the City's active employee group health or dental plan or another employer's active employee group health plan.

**7. What happens if the retiree does not use all of the funds allocated to the retiree under this Plan in a given Plan year?**

If a Participant does not use all of the funds in the Retiree Reimbursement (Escrow) Fund during a Plan year, those deferrals will be carried over to subsequent Plan years until they are used up as allowed by the Plan.

**8. What happens if the retiree dies?**

If a Plan Participant dies and there are no eligible dependents, including the Participant's spouse, who are participating in the Plan, any remaining funds in the Retiree Reimbursement (Escrow) Fund are immediately forfeited upon death. If a Plan Participant dies and an eligible dependent, including the Participant's spouse, is participating in the Plan, the dependent may continue to submit eligible medical and dental premiums for reimbursement. If the Participant's surviving spouse dies or remarries or another participating eligible dependent dies, the Plan will reimburse premiums incurred up to the date of remarriage or death and the remaining funds will be forfeited.

**9. Is my benefit taxable?**

The Plan is designed to comply with certain requirements of existing state and federal tax laws under which are generally not taxable to the Participant. However, the City cannot guarantee the tax treatment of Plan benefits for any given Participant because the Participant's individual circumstances may require a different result. If there is any doubt, the Participant should consult with their own tax advisor.

**10. How does the COBRA law affect this Plan?**

This Plan is not a health or welfare plan; therefore, Participants do not have COBRA continuation rights to the benefits under this Plan. However, Participants may continue participation in the City's group health or dental plan under COBRA after full retirement. Employees who participate in the City's group health or dental plan(s) will receive a COBRA continuation rights notice at retirement because retirement is a qualifying event. The COBRA retirement notices will provide information regarding how to continue City group health and dental plan coverage after retirement. Retiree Reimbursement (Escrow) Funds

may be used to reimburse Participants for payment of post-retirement COBRA group health and dental plan premiums.

**11. What happens if the retiree is re-hired or the retiree's spouse is re-hired?**

If a Participant is rehired by the City as a benefits-eligible active employee, the Participant's Plan participation is frozen and participation in the plan is suspended for the Participant and any eligible dependent, including the Participant's spouse. The Plan cannot be accessed by the Participant, spouse or dependent for any purpose during the Participant's active re-employment although additional sick and vacation leave may be converted to the Retiree Reimbursement (Escrow) Fund if agreed by the parties at the time of the rehire.

If the Participant's spouse or eligible dependent is hired by the City in a benefits-eligible position, the spouse or dependent may no longer participate in the Retiree's Plan as Participant's eligible dependent. The Participant's spouse or eligible dependent may again participate in the Retiree Plan after active employment with the City ends as long as the Participant has continuously maintained group health insurance coverage for the spouse and/or dependent(s).

**12. What if the retiree becomes divorced?**

If a Participant becomes divorced, the former spouse becomes ineligible to participate in the Plan as of the date the marriage is terminated. Premiums incurred by the former spouse before the effective date of the divorce may be reimbursed from the Retiree Reimbursement (Escrow) Fund if the former spouse was otherwise eligible to participate in the Plan.

**13. What if the retiree remarries after divorce?**

If a Plan Participant remarries after divorce, the new spouse will be eligible to participate in the Plan only if the Participant has maintained employee plus one or family group health plan coverage from the date of retirement. If the Participant reduced group health or dental plan coverage to single coverage at retirement or after the effective date of the divorce, the Participant may not subsequently increase coverage and receive premium reimbursements from the Retiree Reimbursement (Escrow) Fund.

**14. If the retiree remarries after divorce, can step children become eligible dependents?**

Only if the Participant has maintained continuous family coverage from the date of retirement as provided by the terms of the applicable group health plan.

## PLAN ADMINISTRATION INFORMATION

### PLAN ADMINISTRATOR

#### HUMAN RESOURCES DIRECTOR

Human Resources Contact Information

Phone (920) 448-3147

Fax (920) 448-3128

[humanresources@greenbaywi.gov](mailto:humanresources@greenbaywi.gov)

Mailing Address

100 N. Jefferson Street, Room 500

Green Bay, WI 54301

Office Hours

Monday through Friday

8:00 a.m. – 4:30 p.m.

### QUESTIONS REGARDING PREMIUM REIMBURSEMENT

#### BENEFITS SPECIALIST

Human Resources Contact Information

Phone (920) 448-3147

Fax (920) 448-3128

[humanresources@greenbaywi.gov](mailto:humanresources@greenbaywi.gov)

Mailing Address

100 N. Jefferson Street, Room 500

Green Bay, WI 54301

Office Hours

Monday through Friday

8:00 a.m. – 4:30 p.m.

### PAYROLL RELATED QUESTIONS

#### PAYROLL DIVISION

Payroll Contact Information

Phone (920) 448-3024

Fax (920) 448-3050

[payroll@greenbaywi.gov](mailto:payroll@greenbaywi.gov)

Mailing Address

100 N. Jefferson Street

Green Bay, WI 54301

Office Hours

Monday through Friday

8:00 a.m. – 4:30 p.m.

## CITY OF GREEN BAY

### **AMENDMENT RETIREE REIMBURSEMENT (ESCROW) FUND**

This amendment is made part of and is attached to the City of Green Bay Plan Document and Summary Plan Description Retiree Reimbursement (Escrow) Fund.

Effective 10/03/2018, the following information is changed in the CITY OF GREEN BAY Retiree Reimbursement (Escrow) Fund:

A portion of the SPD Agreement used to read: PARTICIPATION 6.2 The Participant's spouse and dependents shall be eligible to participate in this Plan. Note that the Eligible Retiree must be a Participant in the Plan before an eligible dependent, including a spouse, may become a Participant. An eligible dependent, including a spouse, may be a Participant in the Plan only if and when the Eligible Retiree becomes a Participant. Dependents are those who qualify as dependents under section 152 of the Code. A Participant's spouse or dependent that ceases to qualify as such shall cease to participate in this Plan as of the last day of the month in which they cease to qualify.

The new portion shall now read: The Participant's spouse and dependents shall be eligible to participate in this Plan. Note that the Eligible Retiree must be a Participant in the Plan before an eligible dependent, including a spouse, may become a Participant. Dependents are those who qualify as dependents under section 152 of the Code. A Participant's spouse or dependent that ceases to qualify as such shall cease to participate in this Plan as of the last day of the month in which they cease to qualify.

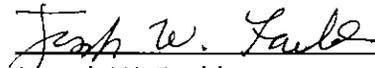
A portion of the SPD Agreement used to read: LIMITATION ON BENEFITS PROVIDED 9.3 If the Participant dies, the surviving spouse and eligible dependents are eligible to apply Retiree Reimbursement (Escrow) Funds to the purchase of City-sponsored retiree health insurance and/or dental plan premiums if the spouse and/or dependent were enrolled in the plan at the time of the Participant's death.

The new portion shall now read: LIMITATION ON BENEFITS PROVIDED 9.3 If the Participant dies, the surviving spouse and eligible dependents are eligible to apply Retiree Reimbursement (Escrow) Funds to the purchase of City-sponsored retiree health insurance and/or dental plan premiums if the spouse and/or dependent were enrolled in the plan at the time of the Participant's death. A spouse or dependent who is not enrolled in the plan at the time of the Participant's death may be eligible to apply for the Escrow funds to be used for reimbursement of health and/or dental insurance premiums for plans other than those offered by the City. A surviving spouse or dependent is required to contact the City within 90 days of the passing of the Participant to be eligible for the remaining funds.

All other provisions of the Plan remain unchanged.

Accepted this 10<sup>th</sup> day of October, 2018

By:

  
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Joseph W. Faulds  
Human Resources Director