MEMORANDUM

TO: Ivins City Mayor and City Council
FROM: Chuck Gillette, Ivins City Manager
DATE: October 9, 2026
RE: Resolution Regarding Ivins City Employee Core Benefits

Purpose

This memo accompanies a Resolution for Council review and approval regarding Ivins City employee benefits. The following summarizes the FY27 medical cost experience and the proposed benefit updates.

FY27 Medical Benefit Costs

In anticipation of rising medical costs, the FY27 budget included a 6% increase in employee medical benefits. Due to employees' wise utilization of their benefits, the actual cost increase was 4.9%. By comparison, HUB International, the City's benefits brokerage, reports that other cities experienced increases of up to 9%.

Health Insurance Opt-Out Incentive

To help reduce medical costs to the City, a new Health Insurance Opt-Out Incentive of $500 per month is offered to employees who choose to waive enrollment in the City's medical coverage because they have group health insurance through a spouse's or parent's employer. We see this as an opportunity to provide a nice benefit to employee's that are unnecessarily double covered with insurance while at the same time provides a large cost savings to Ivins City.

Additional H.S.A. Match

Health insurance premiums have increased 4.9% but if we leave city H.S.A. contributions flat then the increase would decrease to 4.6%. In recognition of rising health care costs, and to ensure that employee benefits do not fall behind benefit benchmarks, this proposal would provide an additional $100 H.S.A. match for employees enrolled in the Employee +1 and Family high-deductible H.S.A. plans, which maintains the total increase to the City at 4.9%.

HealthJoy Benefits Platform

Ivins City intends to offer employees a benefits consolidation and navigation application through HealthJoy. The application will streamline employee access to, and management of, all offered benefits, improving utilization in the most cost-effective ways. The cost of this platform is neutral as it replaces the city's employee assistance program and telehealth platform.

Core and Optional Benefits

A complete description of the Core and Optional benefits offered to Ivins City employees, including eligibility requirements, is set forth in the Ivins City Employee Handbook. Once approved, the benefit updates in this memo will be added to the Employee Handbook.

Recommendation

Staff recommends that the City Council approve the attached Resolution adopting the benefit updates described above.