

Trailblazer Joint Powers Board EMPLOYEE BENEFIT SUMMARY - 2026

Paid Time Off *(Full-time & Part-time Status Employees)*

Employees may use Paid Time Off (PTO) for vacations, illness, funerals, and personal business. PTO is earned based on the accrual rates shown below. PTO accrues on all hours paid to an employee, with the exception of overtime hours. PTO may be used in fifteen-minute increments. See Article 11 in the Personnel Policies section of the employee handbook for additional information.

Accrual Rate Per Hour Paid (except on overtime hours)

Newly hired up to 5 years	0.0654 PTO hrs per hour paid	* 17 days/year
5 years up to 10 years	0.0847 PTO hrs per hour paid	* 22 days/year
10 years or more	0.1039 PTO hrs per hour paid	* 27 days/year

* The **days/year** are approximations and serve only as a frame of reference.

Earned Sick & Safe Time *(Resource Status Employees Only)*

Resource status employees shall receive one (1) hour of Earned Sick and Safe Time (ESST) for every 30 hours worked. Since resource status employees essentially serve in a backup role and only work when they want to work, ESST can be paid out in full every year during the payroll period that includes December 1st. The accrual rate is 0.0334 ESST hours earned per hour worked. Resource status employees shall forfeit all accrued ESST in the event employment ends for any reason. Due to challenges with payroll procedures and accounting software, ESST is shown as PTO on the pay stubs.

Holiday Pay *(Full-time & Part-time Status Employees)*

Trailblazer recognizes the six (6) holidays listed below, for which employees will receive holiday pay. Since Trailblazer does not operate on these holidays, employees generally receive the day off. However, should a recognized holiday fall on a day of the week that Trailblazer generally does not operate, non-exempt employees do not get an additional day off unless PTO is used. Holiday pay is based on the number of hours of a regular work shift, which is defined for each employee by the employer and listed on the approved Operations Plan. Holiday pay for individuals working temporary schedules (whether greater or fewer hours) is also based on their regular work shifts. Employees are eligible for holiday pay after the first day of work.

Recognized Holidays

- New Year's Day
- Memorial Day
- 4th of July
- Labor Day
- Thanksgiving Day
- 25th of December

Public Employees Retirement Association (PERA) *(All Employees)*

PERA is a retirement plan established by the Minnesota State Legislature for governmental agencies. Contribution rates are calculated on gross wages or salaries. The employee's contribution is deducted on a pre-tax basis.

Coordinated Plan Contribution Rates (2026): Employee..... 6.5%
Employer 7.5%

Term Life Insurance *(Full-time Status Employees Only)*

Trailblazer pays the entire monthly premium for a \$15,000 term life insurance policy for the employee only. Employees may purchase at their own expense additional coverage for themselves and/or their dependents.

Health Insurance *(Full-time Status Employees Only)*

- Eligible full-time employees may select from a large number of different health insurance plans available on the ***individual health insurance market***.
- For 2026, Trailblazer endorsed a Blue Cross Blue Shield plan called **Blue Plus Minnesota Value HSA Gold \$3,400 Plan 207**. This is a High Deductible Health Plan (HDHP) with a SINGLE deductible of \$3,400 and a FAMILY deductible of \$10,200. A summary of this plan is included at the end of this document.
- **Trailblazer will reimburse 100% of the health insurance premiums for the endorsed plan for SINGLE coverage**, which means that an employee can select a single health insurance plan that has ZERO employee cost for monthly premiums.
- **Trailblazer will reimburse up to \$1,330 per month for premiums for FAMILY coverage**. For family coverage, the monthly employee cost will depend on a number of factors including the plan selected, the number of family members, and their ages. There is a maximum reimbursement for each individual family member.
- In addition to the high deductible health plan that Trailblazer endorsed, there are many other health plans that an employee can choose from, including traditional co-pay plans. See the section below titled *ICHRA Explained* for more information.
- Full-time employees may choose to **WAIVE** health insurance coverage if they have health insurance coverage from somewhere else. Employees who waive coverage are eligible for **\$300 per month taxable compensation** (up to \$3,600 per year).
- Individuals who are 65 years old **must** enroll in Medicare and are not eligible to participate in ICHRA plans, per federal regulations. However, full-time employees enrolled in Medicare are eligible for **\$300 per month taxable compensation**.

ICHRA Explained

- Trailblazer offers an Independent Coverage Health Reimbursement Arrangement (ICHRA) in 2026. In its purest form, the ICHRA model provides the opportunity for an employee to purchase his/her own health insurance on the individual market and for the employer to reimburse the employee for the cost of that insurance up to a specified amount. The federal government introduced ICHRAs in 2020 as a more affordable way for employers to offer quality health care plans and to provide employees with more plan options to meet their specific needs.

- Starting in 2023, Trailblazer selected a company called **NEXBEN** to help administer the ICHRA plan. To simplify the reimbursement process, Nexben collects the billing data from all the health care plans that the Trailblazer employees select and then sends a single, electronic invoice to Trailblazer. After Trailblazer pays the bill, Nexben then pays all of the insurance providers. Trailblazer will deduct any employee contributions during the payroll process using pre-tax dollars, except for any employee contributions that may be required for taxpayer-subsidized plans.
- “On-Exchange” health insurance plans are subsidized by the government and are not eligible for pre-tax employee contributions. Therefore, employees must select an “Off-Exchange” plan that is not listed on the health insurance exchange, known as MNsure in Minnesota, to be eligible to use pre-tax dollars for any employee contributions that are needed to help pay the monthly insurance premiums.
- Trailblazer will pay the cost of \$20 per month per employee to use Nexben services. All full-time employees are required to sign up/register with Nexben, even if an employee chooses to waive coverage.
- To be eligible for Trailblazer’s reimbursements toward health insurance premiums, all full-time employees and their family members are required to use Nexben, and its enrollment partner eHealth, to enroll for health insurance.
- Nexben coordinates seamlessly with eHealth to help employees find an insurance plan on the individual market that works best for them. Employees access eHealth through the Nexben online portal. The eHealth insurance consultants/advisors can provide assistance online or by telephone.

ICHRA Employer Contributions

- **For SINGLE coverage, Trailblazer will reimburse employees up to 100% of the cost of the monthly premium** for the health care plan on the individual market that Trailblazer endorses. Even though an employee may select any plan that is available on the individual market, Trailblazer will only reimburse the employee up to the monthly premium of the plan that Trailblazer endorses. Therefore, an employee will pay out-of-pocket when selecting a different plan with higher premiums, and an employee choosing a less expensive plan will forfeit the difference between the maximum employer reimbursement and the lower price of the selected plan.
- **For FAMILY coverage, Trailblazer will reimburse the employee up to \$1,330 per month for any plan that the employee selects. For Trailblazer’s purposes, family coverage is defined as the employee plus at least one other family member including a spouse, domestic partner, or child. All family members need to enroll in the same plan. NOTE: Any amount Trailblazer pays toward insurance for a domestic partner is considered taxable income, per tax law.**
- Trailblazer will only reimburse the premium for non-tobacco users. Any additional premium for tobacco use will be paid for by the employee.
- The exact amount of employer reimbursement varies for each employee because the pricing in the individual plan market depends on the employee’s age and home address. More specifically, pricing is different for employees living in Area 5 (including Sibley and McLeod Counties) versus Area 8 (including Wright County).

Health Savings Accounts (HSAs)

- Employees selecting a High Deductible Health Plan (HDHP) may be eligible to participate in a Health Savings Account (HSA). Employees are responsible for managing their own eligibility and contributions into HSAs. All full-time employees are allowed to select HDHPs, but not everyone may be eligible for an HSA (federal regulations determine eligibility).
- Trailblazer allows eligible employees to make pre-tax payroll deductions into HSAs via a company called *Health Equity*, which administers the HSA accounts.
- **For high deductible SINGLE plans, Trailblazer Joint Powers Board will contribute \$365 per month, or up to \$4,380 per year, into a qualifying HSA account administered by Trailblazer Joint Powers Board.**
- **For high deductible FAMILY plans, Trailblazer Joint Powers Board will contribute \$625 per month, or up to \$7,500 per year, into a qualifying HSA account administered by Trailblazer Joint Powers Board.**
- The maximum HSA contribution limits for 2026 are \$4,400 for single and \$8,750 for family. There is an additional \$1,000 catch-up contribution allowed for both single and family plans for anyone age 55 or older.

(See Endorsed Plan Summary for 2026 on Following Page)

Trailblazer Joint Powers Board
ENDORSED PLAN SUMMARY for 2026
 November 15, 2025

BLUE CROSS BLUE SHIELD
 BLUE PLUS MINNESOTA VALUE HSA GOLD
 \$3400 PLAN 207

Basic Summary for In-Network Benefits	
<i>(see BCBS website for full plan details)</i>	
Deductible Employee pays 100% of costs up to this amount	\$3,400 Single \$10,200 Family
Coinsurance	Employee Pays 5% of Expenses after Deductible
Max Out of Pocket	\$5,600 Single \$16,800 Family
Preventive Care	100% Covered by Insurance
Office Visit Primary Care	Employee Pays 100% Up to Deductible, 5% after Deductible, 0% after Max Out of Pocket
Urgent Care Specialist Care	Employee Pays 100% Up to Deductible, 5% after Deductible, 0% after Max Out of Pocket
e-visits	Employee Pays 100% Up to Deductible, 5% after Deductible, 0% after Max Out of Pocket
Mental/Chemical Care Outpatient	Employee Pays 100% Up to Deductible, 5% after Deductible, 0% after Max Out of Pocket
Lab & Pathology	Employee Pays 100% Up to Deductible, 5% after Deductible, 0% after Max Out of Pocket
Rx Copays Tier I (generic) Tier II (preferred brand) Tier III (higher brand) Tier IV (specialty)	Employee Pays - 100% up to deductible 5% after Deductible 5% after Deductible 20% after Deductible 5% after Deductible