

# TOWN OF CHAPEL HILL-EMPLOYEE BENEFITS

## GENERAL BENEFITS

- VACATION/ANNUAL LEAVE:** 12 to 26 days of annual/vacation leave may be earned depending on the length of Town service. The accrual rate changes occur on anniversary dates. The maximum leave accumulation is 30 days. Once a year, any vacation/annual leave over the maximum accumulation is transferred to sick leave. See below for the number of days associated with different lengths of service. Leave accruals are pro-rated based on hours worked for part time employees. Accrual rates for Senior Management Team Members may vary.

Years of Service	0 to 1.99	2 to 4.99	5 to 9.99	10 to 14.99	15 to 19.99	20 or more
Months of Service	0-23	24-59	60-119	120-179	180-239	240+
Days Earned	12	14	17	20	23	26

- SICK LEAVE:** One day earned per month. There is no limit on the accumulation. Upon retirement, each 20 days of sick leave benefits equals one month of additional retirement service credit. You may transfer sick leave from your prior employer within 12 months of your date of hire with the Town if you left that employer within the last 12 months.
- HOLIDAYS:** 12 days per year. New Year's Day; Martin Luther King's Birthday (3<sup>rd</sup> Monday in January); Good Friday; Memorial Day; Juneteenth; Independence Day; Labor Day; Thanksgiving (Thursday and Friday); Christmas (Three working days).
- PERSONAL LEAVE:** 3 days per fiscal year granted each July; non-cumulative from year to year.
- CIVIL LEAVE:** An employee called for jury duty or subpoenaed as a government witness shall be granted leave with pay and may keep any fees received.
- MILITARY LEAVE:** An employee who is a member of an Armed Forces Reserve Organization or the National Guard will be granted two calendar weeks of Military Leave per calendar year for required military training. The leave is not charged as annual leave, but any salary payment, which the employee receives from the military, is deducted from regular salary paid by the Town. (An employee using Military Leave may maintain his or her regular salary or the military pay if higher, but not both). The same provision applies for up to one year of call-up to active duty.
- LONGEVITY PAY:** The Town recognizes length of service with an annual longevity payment based on the following schedule: (Longevity payments for part-time employees are proportional to the hours worked) Service is calculated through November 30 of each year.

Years of Service	Longevity Amount
5 to 9.99	\$500
10 to 14.99	\$650
15 to 19.99	\$800
20 to 24.99	\$1,000
25+	\$1,200

- EMPLOYEE ASSISTANCE PROGRAM:** Provides free, confidential counseling (up to five visits per fiscal year per issue) and referrals for employees and their families. Counseling or assistance is not limited to specific areas: it may include family, drug or alcohol abuse, health, money, personal problems, etc. The Town contracts with ComPsych to provide this service. Contact information: (P) 800-272-7255. Website: [www.guidanceresources.com](http://www.guidanceresources.com) Web ID: COM589. App: GuidanceNow
- TUITION ASSISTANCE:** Available to employees who have completed their initial probationary period. Provides full or partial reimbursement of tuition costs for courses taken during an employee's non-working hours which improve abilities to perform current job or which help prepare for promotion. There is a \$500 limit per fiscal year for full time employees and \$250 per fiscal year for part time employees.
- CREDIT UNION:** Employees may join the Civic Federal Credit Union. The initial cost to join is \$25.00 to open savings account.
- DISABILITY INSURANCE:** Regular employees are covered on short-term and long-term disability insurance. After a 30-day absence, disabled employees have the guarantee of up to 50% of their income through this insurance. Coverage is provided through The Hartford. Coverage is effective the 1<sup>st</sup> day of the month after the date of hire. You may use your accrued leave time to supplement your disability payment so long as your total payments do not exceed 100% of your pre-disability income.
- LIFE INSURANCE:** The Town pays in full for an individual term life insurance policy equal to 1x your annual salary. Coverage is provided through The Hartford.

## THE FOLLOWING BENEFITS ARE PAID FOR BY THE EMPLOYEE OR BY THE TOWN AND THE EMPLOYEE.

### INSURANCES AND RELATED PROGRAMS (The plan year for all benefits is September 1, through August 31)

- HEALTH INSURANCE WITH VISION:** The Town offers employees health insurance through a Preferred Provider Organization (PPO). Health insurance is effective on the date of hire. The Town pays 100% of the cost for a full-time employee's coverage, part of the cost for part time employees and a percentage of the cost to cover family members. The Town offers a vision plan that will cover one eye exam per plan year. Vision coverage is tied to the health insurance election. There is no cost to the employee for the coverage. There is a \$200 reimbursement for hardware per person per plan year. During the months in which there are three biweekly pays, the deductions for health insurance are not taken on the third biweekly check of the month. The employees' costs are:

TYPE OF COVERAGE	FULL TIME (30 hours or more per week) EMPLOYEE COST-BW	PART TIME 20-29 hours per week EMPLOYEE COST-BW	TOTAL MONTHLY COST
Employee	\$0.00	\$217.49	\$869.96
Employee/Spouse	\$273.82	\$628.22	\$1965.24
Employee/Child(ren)	\$188.35	\$500.01	\$1623.35
Family	\$385.61	\$795.91	\$2412.40

14. **DENTAL INSURANCE:** The Town pays 100% of the cost for a full-time employee's coverage and part of the cost for part-time employees. Employees may purchase dental insurance for family members through payroll deduction. During the months in which there are three biweekly pay periods, the deductions for health and dental insurance are not taken on the third biweekly check of the month.

TYPE OF COVERAGE	DELTA DENTAL	PART TIME 20-29 hours per week EMPLOYEE COST-BW	TOTAL MONTHLY
Employee	\$0.00	\$9.46	\$37.85
Employee/Spouse	\$19.56	\$29.02	\$76.96
Employee/Child(ren)	\$21.65	\$31.11	\$81.15
Family	\$48.72	\$58.19	\$135.29

15. **FLEXIBLE COMPENSATION ("IRS 125"):** This plan allows employees to set aside pre-tax dollars to pay for unreimbursed medical or dental expenses. Employees may also set aside pre-tax dollars to pay for dependent care expenses. Employees will save about \$.25 - \$.30 for each dollar set aside through these programs. The minimum election is \$300, the maximum election per plan year is \$3,300 for medical expenses and \$5,000 for dependent care expenses. You may carry over up to \$660 of unused funds from the medical FSA to the next plan year.

16. **SUPPLEMENTAL LIFE INSURANCE:** Employees may purchase life insurance themselves, their spouses, and dependent children. Employees must elect supplemental life for themselves to elect coverage for a spouse or any dependent children.

	Guaranteed Issue Amounts	Available Coverage Amounts
Employee	3x Base Annual earnings or \$200,000 whichever is less	Increments of \$10,000 up to a maximum of \$500,000 not to exceed 5x your base salary
Spouse	50% of the amount elected for the employee or \$100,000 whichever is less	Increments of \$5,000 up to a maximum of \$250,000
Dependent	\$10,000	Options of \$5,000 or \$10,000

17. **VOLUNTARY SHORT-TERM DISABILITY:** New employees may purchase supplemental disability insurance through payroll deduction with no pre-existing conditions or required evidence of insurability up to 30 days from hire or first eligibility. The insurance is inexpensive, covers up to 25% of salary up to \$400 per week and goes into effect after the first 14 days of non-job-related disability. You may use any combination of Town provided disability insurance, voluntary disability insurance and accrued leave while you are out on disability. The total of all payments received may not exceed 100% of your pre-disability earnings.

18. **VOLUNTARY ACCIDENT INSURANCE AND CRITICAL ILLNESS INSURANCE:** New employees can purchase Voluntary Accident Insurance and Critical Illness Insurance through the Guardian Life Insurance Company of America plans via payroll deduction without pre-existing conditions or required evidence of insurability. These plans provide flexible options, competitive pricing, and lump sum benefit payments to help cover out-of-pocket medical and non-medical expenses, offering financial support during unexpected health events.

#### RETIREMENT PROGRAMS

19. **RETIREMENT:** Employees are required to participate in the NC Local Governmental Employees' Retirement System. There is a 6% pretax deduction each pay period. Please visit the following website for more information and to designate your beneficiaries: [www.myncretirement.com](http://www.myncretirement.com)

20. **DEATH BENEFIT:** An employee with one year or more of service time in the NC Local Governmental Employees Retirement System is covered by a death benefit paid to his or her beneficiary. The amount of this benefit is \$25,000 to \$50,000 depending on salary. This coverage may also be extended to a former employee who dies within 180 days of his or her last work date. Additional benefits may be available to law enforcement officers who die in the line of duty.

21. **SUPPLEMENTAL RETIREMENT INCOME PLAN (401(k)):** The Town contributes equal to 5% of your salary to an account in your name with the State's 401(k) program. You may contribute on a pre-tax basis (traditional 401(k)) or an after-tax basis (Roth 401(k)). The program is administered by Prudential Retirement Services. The maximum annual contribution limit is \$23,000 for employees under age 50. Employees aged 50 and over may contribute an additional \$7,500 per year.

22. **RETIREMENT HEALTH SAVINGS PLAN:** Employees hired on or after 7/1/2010 are required to contribute 1% of their salaries into a Retirement Health Savings Plan. The RHSP is a tax advantaged investment plan dedicated to funding post-retirement health care costs. The account is managed by Mission Square Retirement. The Town will contribute \$35.00 per pay period into the account. The vesting schedule for the Town's contribution is below:

Years of Town Service	Percentage of Contribution
5 to 9.99	25%
10 to 14.99	50%
15 to 19.99	75%
20 or more	100%

23. **DEFERRED COMPENSATION (457):** The Town provides employees the option of participating in this long-range supplemental retirement program. Contributions to your deferred compensation account are not taxed; taxation is deferred until you begin withdrawing from your account normally at retirement. We have an excellent deferred compensation plan, sponsored through Mission Square Retirement. The maximum annual contribution limit is \$23,000 for employees under age 50. Employees aged 50 and over may contribute an additional \$7,500 per year.

24. **INDIVIDUAL RETIREMENT ACCOUNT (IRA):** The Town offers employees the option of contributing to an IRA; a special tax-advantaged account that allows you to build savings for your retirement. One of the primary benefits of an IRA is that your investment's earnings compound tax deferred. Other potential tax benefits include: **Roth IRAs** - While you contribute to them on an after-tax basis, you have the opportunity to withdraw earnings on a tax-free basis, assuming certain conditions are met. **Traditional IRAs** - You may be able to receive a tax deduction for your contributions. If you are an active participant in an employer-sponsored retirement plan (such as a pension plan or 457 Plan), you must have modified adjusted gross income (MAGI) below established limits to make deductible contributions. If you and/or your spouse do not actively participate in an employer-sponsored retirement plan, you may make fully deductible contributions to a Traditional IRA regardless of your MAGI. The IRA's are managed by Mission Square Retirement. The maximum contribution is \$7,000 for employees under age 50. Employees aged 50 and over may contribute an additional \$1,000 per year.

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Employee Signature

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Date