

ARTICLE VII. EMPLOYEE BENEFITS

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Section 1. Policy

The policy of the County is to provide vacation leave, sick leave, and holiday leave to all full-time and eligible part-time employees in a regular position with County.

Section 2. Health Insurance Benefits

The County will provide, at no cost to the employee, individual health and dental insurance to all employees occupying full-time budgeted positions and to eligible part-time employees hired prior to July 1, 2002.

Eligible part-time employees hired after July 1, 2002 will be provided health and dental insurance on a pro-rated basis with the employee paying a portion of the monthly premium. (If a part-time employee's health and dental insurance premium is fully paid through a grant, the employee will not be responsible for any payment.) Employees shall be enrolled in the program in accordance with the provisions of the insurance contract and on the first day of the month following a thirty (30) day waiting period.

Deductions shall be allowable, at the option of the employee, to provide health and dental coverage for dependents in accordance with the provisions of the insurance contracts.

Eligible employees hired before July 1, 2009 in good standing who retire through the Local Government Employee Retirement System have the option of continued health insurance. Refer to the County's *Retiree Health Benefits Policy* for eligibility requirements and additional specific policies and procedures.

Section 3. Life Insurance

The County provides Life Insurance in the amount of \$12,500 to all full time and eligible part time employees at minimal cost to the employee. Additional life insurance options are available at the employees expense.

Section 4. Unemployment Compensation

County employees who are laid off or dismissed from the County service may apply for unemployment compensation through the local office of the Employment Security Commission. Eligibility for unemployment will be determined by the Employment Security Commission.

Section 5. Old Age and Survivor's Insurance (Social Security)

The County, to the extent of its lawful authority and power, shall extend social security benefits for its eligible employees in accordance with the provisions of the Social Security Act. The federal Social Security program provides monthly benefits upon retirement, with full benefits available at age sixty-five or higher depending on the employee's birthday and Social Security benefits regulations, and reduced benefits available as early as age sixty-two.

Section 6. Retirement Benefits

Each employee in a budgeted position, working a regularly scheduled minimum of 1000 hours per year, will be enrolled in the Local Government Employee's Retirement System. Employees contribute, through payroll deduction, six percent (6%) of their gross salary each month to the system. The County contributes an actuarially determined percentage of the gross payroll each month to the system.

Upon the event of an eligible employee's death, their beneficiaries will be paid a lump sum equal to the amount of the employee's yearly salary, up to a maximum of \$50,000. Refer to the *Local Government Retirement System Handbook* for more detailed information.

Section 7. Supplemental Retirement Income Plan (401-K)

The County provides a 401-K Plan and deferred compensation plan, which allows employees to defer a portion of their income before taxes into a 401-K tax deferment plan. The County contributes a percentage to sworn Law Enforcement Officers, only.

The County provides contributions of 5% to the State Supplemental Retirement Income Plan for all sworn law enforcement personnel effective on the date of hire. The County pays the legally required amount for each employee in accordance with State Statute.

The County also pays a monthly separation allowance to retired sworn law enforcement officers as required by North Carolina General Statutes.

Section 8. Workers' Compensation

All employees of the County (full-time, part-time, and temporary) are covered by the North Carolina Workers' Compensation Act for medical expenses and lost time for work. Employees are required to immediately report all injuries arising out of and in the course of employment to their immediate supervisors at the time of the injury in order that appropriate action may be taken at once.

Responsibility for claiming compensation under the Workers' Compensation Act is on

the injured employee with the assistance of Human Resources Refer to Alexander County's Personnel Policy, Article IX – Worker's Compensation for detailed policies and procedures regarding worker's compensation.

Section 9. Longevity

After five (5) years of continuous full-time County service, the employee receives a lump sum payment of 1.5% of his/her annual salary on the first payroll date during the month of his/her anniversary date. For purposes of calculating the longevity payment, annual salary is defined as the sum of: 1) the annual salary amount listed in the payroll accounting system as of the Friday prior to the longevity check date; plus 2) any overtime wages paid to the employee during the 12 month period prior to the month of the employee's anniversary date. After the first longevity payment, the percentage of salary received increases by one-tenth of a percent each year to the maximum of 4% after 30 years of service. (Example: 6 years = 1.6%, 7 years=1.7%, 8 years=1.8%, etc.) An employee who leaves County service for any reason will lose their accumulated longevity status and must start over if they return to the County employment. Any questions about the interpretation or administration of the Longevity Policy will be addressed by the County Manager, Human Resources Director, and Finance Director.

Employees hired on or after July 1, 2009 are ineligible for longevity benefits.

Section 10. Other Benefits (Flexible)

Additional deductions or benefits may be allowed at the option of the employee, under the provisions of the insurance contracts, and may be payroll deducted:

Examples: (list is not all inclusive)

- 1.
2. Miscellaneous Insurance.

1. Credit Union.

1. Deferred Compensation Plan: Provides supplemental long-term retirement under
2. Section 457 of the Internal Revenue Code.

1. Flex Plan: Provided by Section 125 of the Internal Revenue Code, allowing
2. employees to spend pretax dollars on insurance premiums and deductibles.

1. United Way Contributions.