

City of Cleveland Tennessee

Employee Benefits Summary

CITY OF CLEVELAND FRINGE BENEFITS SUMMARY

The City provides a comprehensive package of fringe benefits for employees. The package includes the following:

HEALTH/DENTAL INSURANCE COVERAGE:

City employees are covered by the City of Cleveland Health and Dental Insurance Plan. The City and its employees are currently paying the following rates for insurance coverage:

Coverage	City Rates		Employee Rates		Total Cost	
	Med	Dental	Med	Dental	Med	Dental
Individual	\$242.46	\$18.04	0	0	\$242.46	\$18.04
Family	\$441.32	\$36.99	\$198.86	\$18.95	\$640.18	\$55.94

New employee coverage is effective the first of the month following 90 days of employment. Details of the coverage are available in the employee health and dental benefit handbooks.

LIFE INSURANCE COVERAGE:

City employees are provided with 2 x base annual salary in life insurance coverage up to a maximum of \$200,000, and double indemnity accidental death coverage. Dependent coverage is provided in the amount of \$2000 on a spouse and \$1000 on dependent children. There is no cost to employees for this coverage. New employee coverage is effective the first of the month following 90 days of employment.

LONG-TERM DISABILITY:

City employees are provided with long-term disability insurance that pays 60% of the employee's regular pre-disability earnings up to a maximum of \$5000 per month in the event of disability. This benefit begins after the exhaustion of sick leave or 90 days, whichever is greater. The benefit is reduced by other disability benefits such as state disability retirement, worker's compensation and social security disability. The City pays the full cost of this benefit. New employee coverage is effective the first of the month following 90 days of employment.

PAID SICK LEAVE:

Employees are credited with one day of sick leave per month (number of hours equivalent to normal daily work schedule). Unlimited accumulation is allowed. Unused sick leave is not paid at termination of employment, however, credit is given for unused sick leave for employees retiring under the City's retirement plan.

PAID VACATION LEAVE:

Employees earn vacation leave on a monthly accrual basis based on length of service. The following days of vacation are earned on an annual basis. 24/48 Fire personnel (56 hours per week) earn vacation time at 1.4 times the rate of a regular 40 hour per week employee:

<u>Years Service</u>	<u>Days Vacation per Year</u>	<u>Monthly Accrual Rate (hours)</u>	
		<u>40 hr/wk</u>	<u>56 hr/wk</u>
0 - 1	5	3.33	4.67
1 - 4	10	6.67	9.34
5 - 14	15	10.00	14.00
15 - 19	20	13.33	18.67
20+	25	16.67	23.34

PAID HOLIDAYS:

Employees are paid for 12 holidays annually either with time off or additional compensation. The paid holidays are:

- New Years Day
- M.L. King Birthday
- Presidents Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day

RETIREMENT PLAN:

City employees are covered by the Tennessee Consolidated Retirement System. The City pays the full cost of membership for employees. The current contribution rate is 14.50% of gross wages. Current options include probationary period buyback, sick leave credit, option I death benefit, 25 year retirement, 5 year vesting, 3.6% indexing, prior service buyback, and military service credit.

RETIREE PREMIUM REDUCTION PLAN:

The City allows retirees under age 65 to remain on the City's health insurance coverage until they reach age 65. The City pays a percentage of the retiree's individual premium based on years of service to the City. Retirees must have 10 years of service to remain on the City's coverage, and the premium reduction starts at 15 years of service. The City pays 50% of the premium at 15 years of service and the percentage paid by the City increases 3.33% each year up to 100% paid at 30 or more years of service.

MEDICARE SUPPLEMENT ASSISTANCE:

When retirees reach age 65, they are terminated from the City's group health coverage. After age 65, the City provides premium assistance with the retiree's Medicare Supplement based on years of service.

DEFERRED COMPENSATION PLAN:

City employees are eligible for a 457 Deferred Compensation Program administered by Nationwide Retirement Solutions. This is a voluntary tax-favored program that allows public employees to contribute a portion of their salary before federal taxes into a supplemental retirement account. Various options are available including fixed rate annuities, publicly available mutual funds and life insurance.

WORKERS COMPENSATION AND OCCUPATIONAL DISABILITY SALARY SUPPLEMENT PLAN:

City employees are covered for occupational injury and illness according to the state worker's compensation laws, with coverage administered by the Tennessee Risk Management Pool. The City in addition has adopted an Occupational Disability Policy that will supplement the worker's compensation weekly benefit amount to insure that employees receive an amount equal to their regular earnings for a period of 30 calendar days.

EDUCATIONAL REIMBURSEMENT AND CAREER TRAINING:

City employees are eligible for up to \$1320.00 per fiscal year for reimbursement of expenses for continuing education. Employees who have not completed high school are eligible for a \$500.00 bonus for obtaining a GED. Employees are provided with job related training and certifications as needed such as Police POST certification, Firefighter certification, Building Inspector certification, SCBA certification for Firefighters, etc., and various other types of supervisory training and job-related courses and seminars.

TVA CREDIT UNION:

City employees are eligible to join the TVA Credit Union which provides numerous banking services. Payroll deduction and direct deposit are available to the Credit Union.

PAYROLL DEDUCTION YMCA MEMBERSHIP FEES:

Employees can join the local YMCA without a full joining fee and are eligible for payroll deduction of the monthly membership dues.

ONE-HALF PRICE GOLF MEMBERSHIPS:

City employees are eligible for individual and family memberships at Cherokee Springs Golf Course at ½ the regular membership fee, with payroll deduction of membership fees.

**OPTIONAL ACCIDENT, CANCER, INTENSIVE CARE, VISION CARE, ETC.
INSURANCE COVERAGE:**

Employees have available at their own expense through payroll deduction group vision coverage in addition to various other types of insurance coverages through AFLAC and Colonial Insurance Companies.

FLEXIBLE SPENDING ACCOUNT:

A Flexible Spending Account Plan is available to employees for the payment of non-covered medical expenses and other medically necessary expenses with pre-tax dollars. Employees can elect to set aside money on a pre-tax basis into an account and then use that money to pay for medically necessary expenses not covered by the health or dental plans. This plan also serves as the premium conversion portion of the IRS Section 125 Cafeteria Plan which allows insurance premiums to be paid on a pre-tax basis.

LONGEVITY PAY:

Employees with 5 or more complete fiscal years of service at July 1st of each year are eligible for a longevity pay bonus in the amount of \$50.00 per year of service. This bonus is normally paid in November of each year for the number of years completed as of July 1st of that year.

COLLEGE INCENTIVE PAY:

Employees hired prior to January 1, 1993 who have college credit hours receive a lump sum payment annually based on the total number of credit hours. The amounts are:

<u>Credit Hours</u>	<u>Amount</u>
37.5 - 82.5	\$125.00
83.0 - 127.5	\$280.00
128.5 - BS	\$435.00
BS Degree	\$625.00
Masters	\$750.00

CHRISTMAS BONUS:

All City employees receive a \$100.00 bonus in December of each year.

SPECIAL LEAVE WITH OR WITHOUT PAY:

Employees are granted time off from work with or without pay at the discretion of the Department Head for various occasions. Bereavement leave is granted with pay for a maximum of three days for the death of a member of the immediate family. Jury service is granted with pay provided the jury service pay is turned in to the City. Military leave is granted with pay for a period not to exceed 15 calendar days in a 12 month period.

DIRECT DEPOSIT:

Employees may choose to have their payroll checks deposited directly to any type of account to any bank or to the TVA Credit Union.

EMPLOYEE ASSISTANCE PROGRAM:

Employees have available a program that provides counseling and other services to employees and immediate family members for such issues as marriage counseling, stress management, alcohol and drug abuse, etc. The program is completely confidential. It also provides the City with employee and supervisory training.

FICA TAXES:

7.65% of wages.

COMPETITIVE WAGES, OVERTIME PAY AND COMPENSATORY TIME:

City employees are paid competitive wages which are evaluated periodically by classification and compensation consultants to insure they are comparable to wages paid for similar duties in both the public and private sectors. Employees receive annual pay increases, if job performance is satisfactory, subject to the approval of the City Council and the availability of funds. The current compensation plan gives employees a 3.5% step in pay each year, in addition to the annual cost of living increase that is normally given at July 1st of each year. Employees are compensated for any overtime worked according to the Fair Labor Standards Act, either with pay at time and one half or compensatory time off.

ANNUAL EMPLOYEE APPRECIATION DAY:

Employees have been honored the last several years with a city-wide luncheon in December. Food and prizes are provided entirely by the City.

SOLD VACATION:

Employees are allowed to receive pay in lieu of time off for up to one week of vacation time per fiscal year.

ADVANCED SICK AND VACATION TIME:

Under certain conditions, if an employee exhausts all earned sick and vacation time, they may be advanced up to two weeks of sick leave and two weeks of vacation leave.

UNIFORMS AND CLEANING SERVICES:

Uniforms are provided for city employees, other than clerical and others wearing normal street clothes, for Public Works, Police, Fire, Parks and Recreation, and the Animal Shelter. Clothing allowances are provided for police detectives, building, plumbing and mechanical inspectors, and department heads as well as reasonable amounts for laundry and dry cleaning.

DEATH OF AN EMPLOYEE:

Upon the death of a full-time employee, his/her beneficiary shall receive pay for all accrued vacation time, plus an additional two weeks full pay.