

ARTICLE VII. EMPLOYEE BENEFITS

Section 1. Eligibility

All full and part-time employees of the Town are eligible for employee benefits as provided for in this Article which are subject to change at the Town's discretion and annual budget appropriations. Temporary employees are eligible only for legally mandated benefits such as workers' compensation and FICA..

Section 2. Employee Group Health, Dental and Vision Insurance

The Town provides group health, dental and visual insurance programs for full and part-time employees and their families as specified under the terms of the group insurance contract.

The Town pays the entire cost of health insurance for full-time employees. The Town will comply with the Affordable Care Act by providing health insurance for all employee expected to work 20 or more hours per week for three or more months. Full and part-time employees may, if they so desire, purchase available group health, dental and/or vision coverage through the Town for qualified dependents within the stipulations of the insurance contract. Employees will pay the amount stipulated by the Town for their qualified dependents.

Information concerning cost and benefits shall be available to all employees from the Human Resources Office.

Retiree Insurance

Employees who retire from Town service before the age of 65 and qualify for unreduced benefits under the provisions set forth in the North Carolina Local Government Employees' Retirement System may continue group health/dental/life insurance coverage according to the provisions of the current insurance contract, based upon the following schedule:

- a) Employees with under ten (10) years of continuous service may receive insurance benefits available through COBRA for 18 months at the employee's expense.
- b) Employees with ten (10) years or more of continuous service may receive health insurance benefits available at the current premium rate via a Town supplement. The amount of this supplement shall be determined on an annual basis as part of the health/dental/life insurance renewal and budget process, and shall never be more than 100% of the active employee individual premium.

Retirees will be carried on the same insurance plan as active employees. Coverage will be available only to those dependents of the member covered on the day immediately preceding the date of retirement. Retirees are responsible for paying any balance of the premium after the supplement has been applied, and are responsible for 100% of any premium to cover eligible dependents. A spouse or dependent that is still covered when the retiree turns age sixty-five (65) or otherwise becomes entitled to Medicare will be eligible to continue coverage for up to thirty-six (36) months under provisions of the COBRA law.

Insurance coverage will only be extended to retirees until they reach age 65 or until they are eligible to receive Medicare under Title XVIII (Medicare of the Social Security Act), whichever occurs first. Retirees are required to notify the Town of any such change in status.

On the last day of the month in which the retiree turns 65 or through the first day of the month in which the retiree is eligible for Medicare, whichever comes first, the coverage will be terminated and the Town will no longer be responsible for providing health/dental/life insurance for the retiree. Retirees are required to notify the Town of any such change in status.

If, after retirement, a retiree is re-employed by any employer in a capacity that they receive health insurance benefits, the Town will no longer be responsible for providing coverage. After insurance coverage is terminated, the Town is under no obligation to renew the coverage. In addition, any retiree who fails to pay any applicable fees on or before the date due shall be terminated from coverage.

The benefits provided under this section are not intended to be contractual in nature. The Town retains the right to modify these benefits, including amendments and termination, if it deems such modification to be necessary.

Section 3. Other Optional Insurance Plans

The Town may make other insurance plans available to employees upon authorization of the Town Manager or Town Board. For information about optional group benefit programs, employees may contact the Human Resources office.

Section 4. Retirement

Each employee who is expected to work for the Town more than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System after 30 days of employment as a condition of employment.

Employees contribute six percent of salary each payroll with an actuarial match by the Town as determined by the North Carolina Local Governmental Employee's Retirement System.

Section 5. Supplemental Retirement Benefits

The Town provides supplemental retirement benefits for its full and part-time employees. As prescribed by North Carolina State Law, the Town will contribute a percentage of salary to the State 401-K plan for each sworn law enforcement officer (currently 5%) beginning after 30 days of employment.

All full-time employees may make voluntary contributions to the 401-K plan up to the limits established by law and the 401-K provider. The Town may choose to make contributions to non-law enforcement employees as it deems appropriate.

Section 6. Social Security

The Town, to the extent of its lawful authority and power, has extended Social Security benefits to its eligible employees.

Section 7. Worker's Compensation

All employees of the Town (full-time, part-time, and temporary) are covered by the North Carolina Worker's Compensation Act and are required to 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 Worker's Compensation Act is on the injured employee, and such claims must be filed by the employee with the North Carolina Industrial Commission within two years from date of injury. The department head and the Human Resources Officer will assist the employee in filing the claim.

Pursuant to a declaration invoking Section 304 of the Homeland Security Act, this provision will also apply to reactions to small pox vaccinations administered to Town employees under the Homeland Security Act. Such reactions shall be treated the same as any other worker's compensation claim.

Section 8. Unemployment Compensation

Local governments are covered by unemployment insurance. Town employees who are terminated due to a reduction in force or released from Town service may apply for benefits through the local Division of Employment Security office.

Section 9. Law Enforcement Separation Allowance

Every sworn law enforcement officer, as defined by N.C. Gen. Statute 128-21(11b) or N.C. Gen. Statute 143-166.50, shall be eligible for a separation allowance, as provided by N.C. Gen. Statute 143-166.42, in the amount specified in N.C. Gen. Statute 143-166.41(a).

Eligibility and continuation of these benefits are subject to the following conditions:

- a) The officer shall have completed 30 or more year of creditable service, or have attained 55 years of age and completed five or more years of creditable service (as defined in General Statute 143-166.42); and
- b) The officer shall not have attained 62 years of age;
- c) The officer shall have completed at least five years of continuous service as a law enforcement officer immediately preceding a service retirement, as defined by N.C. Gen. Statute 143-166.41(a)(3) and 143-166.41(b).
- d) The law enforcement officer, after separation from Town employment, notifies the Town of any new employment involving local law enforcement duties. Such notification shall include the nature and extent of the employment, and any change of employment status.

Payment of separation allowance benefits to a retired officer shall cease at the first of:

- a) The death of the officer;
- b) The last day of the month in which the officer attains 62 years of age; or

- a. Employee is required to maintain constant, though intermittent, contact with private citizens and other public servants, and they spend a significant portion of their workday away from a conventional telephone or a mobile radio.
- b. Employee serves in a public safety capacity and who, by job title and responsibility, serves or is subject to serve in a command or field coordinator role for incidents that may threaten public-safety and wellbeing.
- c. Employee with whom immediate and direct telephonic communication is necessary in the performance of their job responsibilities and organizational duties and/or may have supervisory responsibilities while on call in the field during off-business hours.

In order to provide a policy conducive to the various aspects of local government (subject to the aforementioned standards), the Town will utilize two methods for the provision of cellular telephone technology.

Public Safety:

If warranted and approved by the Town Manager, the Town will acquire and place town-owned cellular telephones in service for the public safety-related capacities.

Non-Public Safety:

If warranted and approved by the Town Manager, the Town will provide a nominal monthly stipend to non-public safety employees for their personal cellular telephone accounts when those cellular telephones are used for Town business.

The employees designated for a cellular telephone allowance will be provided a stipend of \$15.00 per month. In order to receive the stipend, the employee will be required to have the cellular telephone available and operable during their work hours. In addition, each employee designated to receive the cellular telephone stipend shall be required to complete a Town of Blowing Rock Cellular Telephone Agreement Form (Appendix B). *[Editor's Note: Adopted on March 11, 2003.]*

Section 13. Auto Allowances

Whenever possible or feasible, employees are instructed to use Town vehicles when transportation is necessary for the efficient performance of their duties. When it is not possible or feasible to use a Town vehicle, employees may use their personal vehicles on a reimbursement basis. An employee who uses his or her vehicle in the conduct of official Town business will be compensated at the mileage reimbursement rate provided in Appendix A.

All requests for reimbursement will be approved by the employee's Department Head before being forwarded to the Finance Officer for payment.

Section 14. Meal Expenses

Town employees may occasionally incur expenses for meals while on official Town business. Meal expenses will ordinarily be reimbursable only when incurred on out-of-town travel (see Section 9.03) or when the meal itself is the occasion of a business meeting. Meal expenses for out-of-town travel will be paid per diem, subject to the guidelines provided in Appendix A. A request for per diem meal expenses must be supported by appropriate receipts and will be approved by the employee's Department Head before being forwarded to the Finance Officer for payment.

Section 15. Travel Expenses

Town employees and officials will occasionally be involved in out-of-town travel to attend schools, business meetings, conferences, etc. All reasonable expenses (mileage, meals, lodging, etc.) will be reimbursed on a per diem basis in accordance with the guidelines provided in this section.

For other than elected officials or emergency situations, travel on Town business requiring an overnight stay must be authorized by the Town Manager prior to the trip. Any such travel not approved by the Town Manager will be at the expense of the employee.

Per diem allocations for all approved travel will be made in accordance with the following guidelines:

a. Lodging

1. Where approved travel dictates that the employee secure overnight lodging, the lodging will be paid per diem, or may be paid on the Town credit card at a rate not to exceed the cost of a medium-priced single room. All requests for lodging per diem allocations or payments made with the Town credit card must be accompanied by a receipt.
2. Lodging expenses may be authorized for the date preceding the official start of the approved function where travel from Blowing Rock on the opening day would necessitate a departure time before 6:30 a.m.; and may be authorized for the night that the function ends provided that travel back to Blowing Rock would result in a return time after 10:00 p.m. Exceptions must be approved by the Town Manager prior to the event. Unless approved by the Town Manager, lodging secured within 60 miles of Blowing Rock will not be paid.
3. Where an employee is accompanied by a member of his or her family or other acquaintance, reimbursement will only be made at the rate for a single room. The single rate must be listed on the lodging receipt.

b. Meals

1. Per diem allocation for breakfast will be made for days of departure and return if departure from the Town is prior to 7:00 a.m. or if return to the Town is after 8:00 a.m.
2. Per diem allocation for lunch will be made for days of departure and return if departure from the Town is prior to 12:00 noon or if return to the Town is after 1:00 p.m.
3. Per diem allocation for dinner will be made for days of departure and return if departure from the Town is prior to 5:00 p.m. or return is after 7:00 p.m.
4. Other meals while on out-of-town travel will be at the per-diem rate stipulated in Appendix A. Special meals directly associated with a conference, workshop, seminar, or other job-related activity, may be reimbursed in excess of the per-diem rates. In addition, the Town Manager may also authorize meal reimbursements in excess of the per-diem rates when an employee travels into a "high cost" area.

c. Transportation

1. Compensation will be authorized for that mode of travel that is in the best interest of the Town. Generally, that will mean the most cost-effective mode of travel.

2. An employee using his or her own vehicle will be paid at the per diem rate stipulated in Appendix A. On trips where a Town vehicle is used, reimbursement will be made for purchases of gasoline, oil, or emergency repairs when receipts are presented. For both private and public vehicles, reimbursement for parking and toll charges will be allowed. Costs for traffic fines or parking violations are not reimbursable.
3. When air transportation is authorized, compensation will be made for "coach" air fare. If the desired point of destination is not served by air, fare to the nearest city will be allowed along with round-trip taxi fare or rental car fees to the final destination.
4. No matter what mode of travel is authorized, expenses for local transportation, such as bus or taxi fares, will be reimbursed when such expenses are necessary for approved functions.
5. For payment of transportation expenses, receipts must be provided if practicable.

No employee will receive reimbursement for alcoholic beverages, entertainment expenses, personal items, or expenses incurred on behalf of another person, except as may be provided in Section 9.04.

Before leaving, or within five (5) workdays after return for an approved trip an employee must complete an expense report, itemizing the expenses that are expected to be incurred on the trip. It is the responsibility of the employee, when traveling as a representative of the Town at Town expense, to keep sufficient records of any costs incurred that were not taken into account before the trip to allow the itemization and verification of expenses. Attached to the report must be receipts for any additional expenses incurred as required. The report must be approved by the appropriate supervisor prior to reimbursement. A copy of mileage from Mapquest or other such internet site is required to support mileage request.

Section 16. Host Expenses

Department Heads and other Town employees may occasionally find it necessary to host non-employees in the course of Town business, thereby occurring expenses for meals, transportation, or lodging. In such cases, reimbursement will be allowed on an actual expense basis with the approval of the Town Manager.

Section 17. Uniform Allowances

Upon appointment, employees in the Police, Public Works, certain Parks and Recreation employees and Emergency Services Departments may be furnished with uniforms in accordance with the policies established for their respective departments. Uniforms so furnished remain the property of the Town and will be replaced at the discretion of the applicable Department Head.