

RESOLUTION NO. 3016

A RESOLUTION OF THE CITY OF SALISBURY TO UPDATE THE EMPLOYEE HANDBOOK BY AMENDING CHAPTER 4.

WHEREAS, the City of Salisbury has an Employee Handbook; and

WHEREAS, the Mayor's Office and the Human Resources Department have reviewed the Employee Handbook; and

WHEREAS, the Mayor's Office and the Human Resources Department recommend updating the Employee Handbook; and

WHEREAS, the City of Salisbury desires to amend the Employee Handbook in segments; and

WHEREAS, the City of Salisbury has already amended chapters 1 -3, and will amend the rest of the Employee Handbooks in future resolutions; and

WHEREAS, the recommended changes have been approved by the Mayor and reviewed by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City of Salisbury, Maryland that Chapter 4 of the Employee Handbook is amended as follows:

Chapter 4

EMPLOYMENT BENEFITS

0401 About Your Benefits

The City of Salisbury provides an excellent employment benefit package for regular full-time employees. Briefly, ~~Qualified~~ employees of the City of Salisbury enjoy the following benefits:

- Health Insurance, incl. ~~Major Medical~~, Prescription Drugs, Dental and Vision **Insurance**
- State of Maryland Retirement Benefits
- Deferred Compensation Program
- Supplemental Insurance, incl. Accident, Cancer, Specified Health, Hospitalization and Short Term Disability
- Flexible Spending Accounts (medical and dependent care)
- Credit Union
- Blood Bank Participation
- Life Insurance
- Free Parking
- Paid Leave

- Paid Parental Leave
- College Tuition Reimbursement
- House Keys for Employees

Most of these employee benefit programs are provided through insurance carriers or various State agencies. For each benefit plan there is a formal plan document which describes all the details, qualifications and exclusions applicable to the particular plan. These documents are readily available upon request. **In all matters, the provisions of the plan documents supersede any description contained in this Employee Handbook** because it is impossible, in the format of this Handbook, to fully describe all provisions of each plan. It is hoped, however, that this Employee Handbook gives you some background sufficient for a general understanding of these valuable benefits. Some of the above-referenced benefits may require the Employee to pay part or all of the cost. Employees ~~who~~ that did not elect to participate in certain benefits programs during as new hires or during open enrollment may elect to participate provided they have a qualifying event as defined by the Regulations issued by the Department of Treasury for Section 125 Plans (birth or adoption of a child, marriage, divorce, etc.).

A. 0402 Health Insurance

The City of Salisbury currently provides group health insurance coverage for Regular Full-time City employees. This insurance coverage is purchased through a private health insurance carrier and includes Medical, Dental, Vision, and Prescription Drugs. The details of the plan and coverage are readily available in the Human Resources Department.

Regular Full-time City employees are eligible to participate in the plan on the first day of the month following the completion of at least 30 days of employment. It is the responsibility of the employee to complete all necessary forms for the enrollment process and to keep all personal information current.

1. Pre-Tax Deduction

As an additional benefit to City employees, the deduction for Health Insurance coverage is paid through the City's flexible benefit plan. The plan allows City employees to pay for coverage ~~with~~through pre-tax dollars.

2. Termination Coverage (COBRA Rights)

Upon termination of employment, employees may be eligible to continue their insurance coverage under the Federal law known as COBRA (Consolidated Omnibus Budget Reconciliation Act of 1995). Under COBRA, under certain circumstances, an employee and the employee's dependents may continue coverage for a particular period of time until alternative coverage is available. Any terminated employee seeking to continue insurance coverage should immediately contact the Human Resources Department.

3. Health Insurance upon Retirement

a. Eligibility

- i. For employees hired prior to 9/1/2017, to be eligible to participate in the City's health insurance program following retirement, the employee must have worked for the City for a minimum of 10 years.
- ii. For employees hired on or after 9/1/2017, to be eligible to participate in the City's health insurance program following retirement, the employee must have worked for the City for a minimum of 20 years.
- iii. For employees retiring through accidental disability after July 1, 2008, no minimum number of years of service is required. The employee's retirement must meet the State Retirement Agency's criteria for

accidental disability and the employee must have been awarded accidental disability retirement from the State Retirement Agency to be eligible for the waiver of years of service.

b. Benefit

- i. For eligible employees who retire prior to 9/1/17, the City will pay 50% of the retiree's health insurance premium and 50% of the premium attributable to eligible dependents, until the retiree becomes eligible for Medicare coverage.
- ii. For eligible employees who retire on or after 9/1/17, the City will pay 50% of the retiree's health insurance premium and 50% of the premium attributable to eligible dependents, up to the maximum benefit amounts, until the retiree becomes eligible for Medicare coverage.
- iii. When the retiree becomes eligible for Medicare, any eligible dependents will be converted to policies independent of the Medicare eligible retiree for the duration of the dependent's eligibility.
- iv. The City will pay the applicable premium attributable to dependent health insurance, provided that the retired employee's dependent was enrolled at the level of dependent coverage requested for at least three years prior to retirement or for the entire time that the dependent was eligible to be enrolled if the dependent was eligible for less than three years. If a retiree has a spouse working for the City and the spouse has maintained health insurance coverage under the City policy (either individually or combined) for at least the three years prior to the retiree's retirement, the retiree may combine policies with the spouse. This combination can occur at the retiree's retirement or at **when there is a change in employment status of the spouse** (i.e. spouse resigns, spouse goes part-time, etc.). The combined coverage may not be at a higher level than previous separate coverage, nor may it allow for the coverage of additional dependents not covered prior to the time of combination. ~~[This exception is now being included based on approval of Resolution 1826 on September 14, 2009.]~~
- v. The City will pay 50% of the premiums for Medicare supplemental insurance for all eligible retirees, but only up to the maximum benefit amounts for employees ~~who retiring~~ on or after 9/1/17.
- vi. The maximum benefit amounts are set in the City's Annual budget or as otherwise updated by subsequent ordinance.

B. Life Insurance

The City of Salisbury provides life insurance for all regular full-time employees. Coverage begins on the first day of the first month following completion of at least 30 days of employment. Eligible employees are subject to a death benefit of \$10,000. This benefit will be reduced based on age. The plan also provides for certain payments in the event of dismemberment. It is the employee's responsibility to seek and complete the necessary insurance forms and to keep beneficiary information current. Specific information about the plan can be obtained from the Human Resources Department.

C. State of Maryland Retirement Plan

All regular full-time and regular part-time City employees must participate in the State of Maryland Retirement System. The plan in which you participate depends upon your job classification. Eligibility and qualification for participation are fully controlled by the Maryland Retirement System documents.

To participate, you must obtain an enrollment form from the Human Resources Department and fully complete the form. It is the employee's responsibility to assure that the application is properly completed. A full description of the State of Maryland Retirement System programs, including all eligibility and participation requirements, is contained in documents which may be obtained from the Maryland State Retirement Agency or the Human Resources Department.

0405D. Deferred Compensation Program

All regular full-time City employees are eligible to enroll in the ~~ICMA Retirement Corporation~~ Deferred Compensation Plan through payroll deductions. This plan allows participants the opportunity to defer income. Information regarding this plan and the qualifications for participation are available from the Human Resources Department.

0406E. Supplemental Insurance

All regular full-time employees are eligible to enroll in a variety of supplemental insurance policies offered by the City of Salisbury. Accident, Cancer, Specified Health, Hospitalization, Short Term Disability, Dental and Vision Plans are offered. The costs of these plans are completely covered at the expense of the employee.

0407F. Flexible Spending Accounts

All regular full-time City employees are eligible to enroll in Flexible Spending Account Plans. Medical FSA and Dependent Care FSA plans are offered. ~~The Medical FSA is limited to \$2500 tax deferred payroll and the Dependent Care FSA is limited to \$5000 tax deferred each plan year.~~

0408G. Credit Union

All full-time City employees and their immediate families are eligible to join the Maryland State Employees Credit Union. Employees may make loan repayment deductions directly from their payroll checks. For more information, contact the Department of Finance Payroll Section.

0410H. Parking

The City of Salisbury provides free parking in assigned lots for full-time employees during duty hours. Employees are expected to park in the appropriate lots. Please be mindful not to damage the vehicles of coworkers. City employees are not permitted to use, and are subject to disciplinary measures for use of, the metered spaces in Lot No. 9 for their personal vehicles during working hours. This lot is intended for citizens doing business with government offices.

I. Paid Parental Leave

All regular full-time employees that have been here 12 months and have worked 1250 hours in the past 12 months will be eligible for six (6) weeks of paid parental leave for the birth of a child or the

placement of a child for adoption in your home.

0411J. College Tuition Reimbursement Program

All City employees may be eligible to be reimbursed for a portion of their college tuition. A College Tuition Reimbursement Program is designed to provide an opportunity for employees to obtain education in order to increase their competence in their present jobs and to prepare for future advancements within the City. This is dependent on availability of funding and meeting criteria set forth in the College Tuition Reimbursement Program.

K. House Keys for Employees

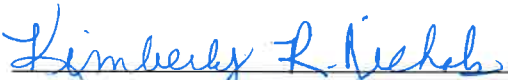
The City of Salisbury budgets money to assist employees with closing costs on housing purchased within the city limits. Request an application from Human Resources.

Underlined and Bold indicate additions

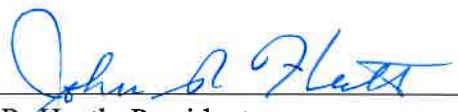
~~Strikethrough~~ indicate deletions

THE ABOVE RESOLUTION was introduced, read and passed at the regular meeting of the City of Salisbury held on the 9th day of March 2020, and is to become effective immediately upon adoption.

ATTEST:



Kimberly R. Nichols, City Clerk



John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS 10th day of MARCH, 2020.



Jacob R. Day, Mayor



City of
Salisbury
Jacob R. Day, Mayor

DATE: February 10, 2020

TO: Julia Glanz, City Administrator

FROM: Jeanne Loyd, Director of Human Resources 

SUBJ: Employee Handbook Changes

Please find attached a copy of a Resolution to effect the changes identified in the City Employee Handbook which covers Chapter 4, Employment Benefits.

We have updated our list of benefits to include Paid Parental Leave and House Keys for Employees. Both of which have been in place but needed a short narrative in our Handbook.

We have also removed from section D. the name of the former company, ICMA RC. In addition to that we have removed the amounts of the FSA Medical and Dependent Care plans. This is done merely avoid having to change them as the amounts change.