



ARTICLE VI EMPLOYEE BENEFITS

I. POLICY:

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

II. EMPLOYEE GROUP HEALTH, DENTAL, LIFE/AD&D, AND SHORT-TERM DISABILITY INSURANCE PROGRAMS:

The Town provides group health, dental, life/AD&D (one and one-half times salary), and short-term disability insurance programs for full-time employees and their families, as specified under the terms of the group insurance contract. Insurance benefits are effective the first of the month after your first 30 days. (Ex: first day of employment is September 25th, 30 days is up on October 25th, your benefits are effective November 1st.)

The Town pays the entire cost of the above insurance programs for its full-time employees. In an effort to promote and encourage wellness, in cases where an additional premium is charged for an employee who fails to complete the tobacco attestation, then that employee is responsible for paying that portion of the premium through payroll deduction. In some instances, the above referenced effective date may not apply. If you have had previous coverage under the State Health Plan, your health benefits may be eligible to start before the Town's 30-day grace period, you as the employee will be responsible for covering the extra premiums in your first month's payroll deduction. The Town must comply with the Affordable Care Act by providing health insurance for all employees expected to work 30 or more hours per week. Full-time employees may, if they so desire, purchase available group health and dental 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.

III. OTHER OPTIONAL INSURANCE PLANS

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

IV. RETIREMENT

Each employee who is expected to work for the Town 1,000 hours or more annually shall join the North Carolina Local Governmental Employees' Retirement System (Local Law Enforcement Officers or Firefighters' & Rescue Squad, as applicable), starting with the employee's first pay period as a condition of employment.

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

The Town of Selma does not provide medical, dental, or life insurance benefits upon retirement to any Employee hired on or after August 22, 2014.

Any Full-time Town of Selma employee hired on or before August 21, 2014, who retires while employed with the Town, in accordance with the regulations established by the North Carolina Local Government Retirement System and has 20 years of service with the Town of Selma, shall be provided with group health insurance on themselves at no cost. The Town will determine the policies eligible for payment based on market availability and other factors. At age 65, or if retiree is on Social Security Disability for two (2) years, the retired employee shall be required to participate in Medicare Supplement and Medicare drug policies. Eligible retirees are responsible for timely enrollment in Medicare, Medicare Supplement, and Medicare Drug coverage to avoid a gap in coverage after termination of the group health insurance plan. Retirees shall contact the Town at least three (3) months in advance of Medicare eligibility to enroll in the Medicare Supplement and Medicare Drug Coverage.

Retirees are eligible to enroll in dental, vision, and/or life insurance coverage at their own costs. Retirees who do not sign up upon retirement, will not have an option to sign up later.

V. RETIREMENT GIFT AND RECOGNITION:

Upon retirement from the Town of Selma, in accordance with the regulations established by the North Carolina Local Government Retirement System, the employee shall receive a gift from the Town based on the employee's total years of service with the Town of Selma. Additionally, the employee will receive a Resolution of Appreciation from the Town Council and be recognized at a Town Council meeting immediately prior to their retirement.

Upon retirement from the Town of Selma, the employee shall receive a gift from the Town based on the employee's total years of service with the Town of Selma according to the

schedule below. The dollar amount on the schedule may be adjusted for inflation by the Town Manager based upon the published rate of inflation. Additionally, the employee will receive a Resolution of Appreciation from the Town Council and be recognized at the Council meeting immediately prior to their retirement. A luncheon, dinner or reception (decided on by retiring employee), with or without family members present, will be hosted by the Town. In order for an employee to become eligible for the retirement gift or check, the employee must be eligible to receive either full, reduced or disability retirement benefits from the North Carolina Governmental Employees' Retirement System.

Retiring Law Enforcement Officers are awarded their service weapons and badges in appreciation for their years of service to the Town of Selma in accordance with NCGS 20-187.2 which allows badges and service side arms to be awarded to law enforcement officers upon their retirement. NCGS 20-187.2(a) states:

Surviving spouses, or in the event such members die unsurvived by a spouse, surviving children of members of North Carolina State, city and county law-enforcement agencies killed in the line of duty or who are members of such agencies at the time of their deaths, and retiring members of such agencies shall receive upon request and at no cost to them, the badge worn or carried by such deceased or retiring member. The governing body of a law-enforcement agency may, in its discretion, also award to a retiring member or surviving relatives as provided herein, upon request, the service side arm of such deceased or retiring members, at a price determined by such governing body, upon determining that the person receiving the weapon is not ineligible to own, possess, or receive a firearm under the provisions of State or federal law, or if the weapon has been rendered incapable of being fired. Governing body shall mean for county and local alcohol beverage control officers, the county or local board of alcoholic control; for all other law-enforcement officers with jurisdiction limited to a municipality or town, the city or town council; for all other law-enforcement officers with countywide jurisdiction, the board of county commissioners; for all State law-enforcement officers, the head of the department.

The retiring employee will receive a memento gift (i.e., gold watch, mantle clock, etc.) and a cash gift with the value of both totaling the amount listed below. The memento gift should not exceed the dollar amount listed below with the exception of a police service weapon.

5-14 years of service	\$ 300
15-19 years of service	450
20-24 years of service	600
25-30 years of service	800
30+ years of service	1,000

The applicable amount is to be paid through payroll and charged to the retiring employee's assigned department.

VI. SUPPLEMENTAL RETIREMENT BENEFITS:

The Town provides supplemental retirement benefits for its full-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%) starting immediately. For all other employees the Town will contribute a percentage of salary (currently 3%) beginning six months after 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.

VII. SOCIAL SECURITY:

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

VIII. WORKER'S COMPENSATION

All employees of the Town (full-time, part-time, seasonal, and temporary) are covered by the North Carolina Workers' Compensation Act and are required to report all injuries arising out of and in the course of their 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, and such claims must be filed by the employee with the North Carolina Industrial Commission within two years from the date of injury. The Department Head and the Human Resources Manager 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 smallpox vaccinations administered to Town employees under the Homeland Security Act. Such reactions shall be treated the same as any other Workers' Compensation claim.

IX. 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.

X. 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).

Currently the law enforcement separation allowance is *“equal to eighty-five hundredths’ percent (0.85%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.”* The Town will pay this benefit on a monthly basis through payroll.

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

- 1) The officer shall have completed 30 or more years of creditable service, or have attained 55 years of age and completed five or more years of creditable service (as defined in N.C. General Statute §143-166.42); and
- 2) The officer shall not have attained 62 years of age.
- 3) 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); and
- 4) 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:

- 1) The death of the officer.
- 2) The last day of the month in which the officer attains 62 years of age; or
- 3) The first day of re-employment in any position in any local government in North Carolina.

The Town may employ retired officers in a public safety position in a capacity not requiring participation in the Local Governmental Employees’ Retirement System and doing so shall not cause payment to cease to those officers under these benefits. Participation in the retirement system is required by anyone scheduled to work 1000 hours or more per year.

Should the separation allowance for law enforcement officers, now required by law, be rescinded, this separation allowance shall be rescinded at the same time.

XI. CREDIT UNION MEMBERSHIP:

Employees of the Town of Selma are eligible for membership in the Local Government Federal Credit Union.

Policy adopted by Selma Town Council

Effective Date: July 10, 2018

Updated: January 10, 2023

As of January 10, 2023, this policy replaces and supersedes any previous policies, or unwritten policies or practices covering the same subject.