

**Brief Overview of Employee Benefits
Effective October 1, 2008**

The following general employee benefits overview is designed to provide employees and applicants with an overview of the City’s current benefit package for full time employees. Details regarding to many of these benefits can be found in the City of Gulfport’s Personnel Manual. Benefits may differ for employees covered under a collective bargaining agreement.

1. Health Insurance provided by AETNA

The City of Gulfport provides three different health care plans for the employee to select the plan that meets their individual family needs.

- **HMO Plan** – Benefits include no deductible but requires a co-payment for primary care physician, and prescriptions drugs within the network, and a co-insurance for hospitalization and day surgery. The employee must use doctors, hospitals and pharmacies on the physician network provider listing supplied by AETNA. Referrals are not required from your primary care physician to see a specialist.
- **Point of Service (POS) Plan** – Benefits include no deductible but requires a co-payment for primary care physician, prescriptions drugs within the network, and co-insurance for hospitalization. For non-network provider doctors and hospitals there is a \$1000 deductible, remainder of charges paid at 70% of the billable charges. Open choice of doctors and hospitals.
- **Health Savings Account (H.SA)** – Benefits include a high deductible health plan (\$2500 for individual), with 80% of eligible charges paid. Also includes a Health Savings Account partially funded by the City at the following levels: Individual \$900/yr, emp + spouse \$1,500/year, emp + child(ren) \$1,300/year, family \$1,700/year

The City of Gulfport currently pays 100% of the employee’s premium and 50% of the dependents premium for the HMO, H.SA Plan and up to the same dollar amounts for the POS Plan. If the employee selects the POS Plan, the difference in the premium for dependent coverage to the City paid portion is borne by the employee.

Current Bi-Weekly Premiums:

	<u>H.SA</u>	<u>HMO</u>	<u>POS</u>
Employee	\$ 0	\$ 0	\$ 7.16
Emp +Spouse	89.14	73.88	88.05
Emp + Child(ren)	62.66	104.03	121.08
Family	120.79	140.98	161.53

The City has a 125 Cafeteria Plan that enables the employee’s portion of the premiums to be paid with pre-tax dollars.

2. Annual Leave (Vacation)

All Regular full time and regular part time employees earn annual leave with pay. The annual accrual rates increase with employee longevity as follows:

Accrual Hours Per Year

	<u>Part time</u>	<u>Full Time</u>	<u>Supervisory</u>
< 5 Years	0	88	112
+5<10 Years	20	104	128
+10<15 Years	40	128	144
+15 years	40	+8 per yr.	+8 per yr.
Maximum/Yr.	40	200	200

3. Holidays

The City of Gulfport observes nine (9) specific holidays. In addition, each full time regular employee receives two Personal Days to allow the employee a non-designated holiday for personal use.

4. General Employees Pension Plan provided by the City of Gulfport

The City of Gulfport provides a Defined Benefit Retirement Plan for the general employees. The vesting period for retirement benefits is five (5) years. This retirement benefit is calculated by taking 1.75% of the average of the highest 60-month period of compensation multiplied by the number of completed years and months of service.

5. Sick Leave

Regular full time employees accrue a maximum of ninety-six (96) hours of sick time per year. Hours can be utilized to care for sick family members as defined in the Personnel Manual.

6. Term Life/AD&D and Long Term Disability Insurance provided by Aetna.

Term Insurance – The City provides a benefit of one (1) times the employee’s annual salary rounded to the next \$1,000 with a minimum of \$20,000 and a maximum of \$152,000.

Accidental Death and Dismemberment – The City provides a benefit of two (2) times the employee’s annual salary rounded to the next \$1,000 with a minimum of \$40,000 and maximum of \$300,000 for accidental death. Dismemberment benefits are by provider schedule.

Long Term Disability – The City provides a benefit of 67% of the monthly basic earnings less all other income benefits, i.e. social security, retirement or pension benefits provided by the employer. The minimum monthly benefit is \$50 with a maximum of \$5,500. The coverage starts on the 91st day after the disabling event.

7. Short Term Disability provided by the City of Gulfport

The City provides a benefit of 60% of the employee’s weekly earnings to a maximum of \$125. This coverage relates to any non-work related incident. Benefits begin on the 1st day of the accidental disability or the 8th day of sickness disability or hospital confinement. This benefit begins after the employee has exhausted all sick, annual leave, personal day, etc. Benefits continue for a maximum period of 13 weeks at which point long-term disability will begin.

8. Sick Time Incentive Program

The City recognizes the value of those employees who are fortunate enough to have taken little or no sick time during their anniversary year. The City provides an incentive program that recognizes this accomplishment in providing those that qualify under the schedule below with additional annual leave (vacation hours).

<u>Hours Used</u>	<u>Incentive</u>
0 hours	16 hours
.25 – 8 hours	8 hours
8.25-16 hours	4 hours

9. Sick Time Conversion Program

After an employee has accrued enough sick leave to ensure coverage for any short-term disability or illness, the City provides an annual conversion of their sick accrual into annual leave (vacation hours). This conversion is in a ratio of four (4) hours of sick time to one (1) hour of vacation. This can only be used after accumulating 520 hours.

10. Blood Donation Time:

On a 12-week cycle the City has a blood drive available to all employees. If an employee donates, they receive two hours off with pay during that pay period to use at their discretion.

Additional Benefits Available at Employee Cost

The City of Gulfport, using their third party benefits coordinator, also provides other valuable benefits that employees can electively participate in at their cost. This provides additional coverage that may be too expensive for the employee if they had to purchase the product on an individual basis. These benefits include the following:

1. Dental Plans Provided by Guardian

The two dental plans available through Guardian Dental are designed to fit different individual needs, while both plans have annual limits, both have options of rolling over portions of unused benefits to the following year.

PPO Plan: Benefits include a wider range of Dentists, and freedom to choose a Dentist outside the network. Plan does have a deductible and services are covered at different percentages.

PPO Plus Plan: Benefits include a higher annual benefit, and services covered at a higher percentage.

2. Additional Insurance Coverage's by Colonial Life Insurance Company

There are four other insurance products available through Colonial Insurance and include the following:

- **Short Term Disability Income*:** This provides the employee with a designated benefit in the event of an accident or illness above the current plan provided by the City.
- **Cancer and Dread Disease Plan*:** This benefit provides the employee with additional benefits above the City's health plan to cover deductibles and out of pocket health care cost in the event the employee is diagnosed with a qualifying disease.
- **Special Injury Coverage*:** Provides benefits when the employee or a family member is injured with fractures, cuts, etc.
- **Universal Life Insurance:** Provides life insurance benefits that build up cash value when premiums are paid.

* premiums paid for these products are covered under the 125 plan and are paid from pre-tax dollars.

3. Deferred Compensation Plans (457)

This City also provides through payroll deductions the ability to contribute pre-tax dollars into two different deferred compensation plans. The City has established this option with Nationwide Retirement Solutions and International City Managers Association. Pre-tax contributions are payroll deducted and forwarded on a bi-weekly basis.