

Personnel Resolution 2010

STATEMENT OF ISSUE

The Personnel Resolution must be amended periodically to reflect a changing work environment and sound business practices.

BACKGROUND

The benefit package is an important aspect of recruiting a high quality workforce. We are recommending four changes to two sections of current personnel policy. We would like to enhance the Employee Sick Bank and an employee's opportunity to have health insurance contributions from the City at retirement. The third recommendation is to correct an error in one of the sections of policy. The fourth recommendation is a death benefit for active employees.

Current Section 7.03 Annual Leave

Annual Leave. (Amended 06/09). All full-time regular employees earn (10) days paid annual leave each year during the first (1st) through the fourth (4th) year of service. Beginning with the fifth (5th) through the ninth (9th) year of service, annual leave earning increases to twelve (12) days each year. Beginning with the tenth (10th) through the fourteenth (14th) year of service, annual leave earning increases to fifteen (15) days each year. Beginning with the fifteenth (15th) through the nineteenth (19th) year of service, annual leave earning increases to eighteen (18) days each year. After completion of twenty (20) years of service, annual leave earning increases to twenty-one (21) days each year.

Full-time and part-time regular employees accrue annual leave at rates shown in the chart that follows. New introductory employees cannot use annual leave until the completion of the introductory period. However, in certain instances, the City Manager may approve use of annual leave for an introductory employee.

Annual leave is not reimbursable except on separation from municipal service (see exceptions in Section 8.06) for non-disciplinary reasons, which may be waived by the City. An employee who retires, resigns or is terminated for non-disciplinary reasons, may be paid for accumulated unused leave not to exceed the maximum specified in the chart that follows: (Please see T.E.R.I. Plan at Section 8.10.)

*** DAYS ARE ACCRUED IN HOURLY AMOUNTS ON A BI-WEEKLY BASIS.**

Years of Service	Full-Time Accrual Rate (Per Month)	Part-Time Accrual Rate (Per Month)	Full-Time Maximum Paid Accrual	Part-Time Maximum Paid Accrual
1-4	10 Days	7.5 Days	20 Days	15 Days
5-9	12 Days	9 Days	24 Days	18 Days
10-14	15 Days	11.5 Days	30 Days	22.5 Days
15-19	18 Days	13.5 Days	45 Days	34 Days
20 or more	21 Days	16 Days	45 Days	34 Days

Effective January 1, 1995, the annual leave maximum accrual is 90 days. If days in excess of 90 days are not used by December 31, 1995, and each subsequent year thereafter, days are lost and not available to the employee.

Annual leave must be approved before such leave can be taken. Employees are encouraged to take annual leave when they can best be spared from their jobs. It is to an employee's advantage to make plans for vacations as far in advance as possible. This will enable supervisors to work out a vacation schedule that meets the needs of the department and avoids or minimizes impairment of department efficiency.

Annual leave is accrued in hourly increments. For all employees, one day of annual leave equals eight hours of leave earned. And, when the employee uses the leave, the one day is the equivalent of eight hours. For instance, if an employee typically works 12-hour shifts and requests leave for the full 12 hours, it is equivalent to a day and a half of annual leave.

Amended Section 7.03 Annual Leave

Years of Service	Full-Time Accrual Rate (Per Month Year)	Part-Time Accrual Rate (Per Month Year)	Full-Time Maximum Paid Accrual	Part-Time Maximum Paid Accrual
1-4	10 Days	7.5 Days	20 Days	15 Days
5-9	12 Days	9 Days	24 Days	18 Days
10-14	15 Days	11.5 Days	30 Days	22.5 Days
15-19	18 Days	13.5 Days	45 Days	34 Days
20 or more	21 Days	16 Days	45 Days	34 Days

~~Effective January 1, 1995,~~ The annual leave maximum accrual is 90 days. If days in excess of 90 days are not used by December 31, 1995, and each subsequent year thereafter, days are lost and not available to the employee. **These days will be placed in the Sick Leave Bank on an annual basis and used in accordance with established Sick Leave Bank Policy for Prolonged or Catastrophic Illness or Injury.**

BACKGROUND

We would like to ensure our competitive edge for recruitment and retention of the very best candidates by amending a section of policy concerning our insurance coverage. We are recommending an amendment to current policy to delete reference to broken service and to consider cumulative City service for insurance purposes.

Current Section 7.13 Medical, Dental and Life Insurance

Regular full-time employees are provided \$3,000 in life insurance and full dental coverage by and at the cost of the City. Medical insurance for regular, full-time employees is provided by the City with a shared cost, depending on the specific plan options selected by the employee. Additional life insurance may also be purchased through the City.

For continuation of insurances purposes, a retiree is an employee with 25 years of eligible continuous service. (For insurance purposes and in all other instances, broken service of less than one year with the City of Rock Hill is counted as continuous service. Please see Section 1.01 - Definition of Terms.) If an employee becomes totally disabled (as approved by the Medical Board of the State Retirement System) after 10 years of eligible continuous service, the employee will be eligible for retiree insurance (See Schedule A). If the disability is job-related and occurs after ten years eligible continuous service, the medical insurance premium will be provided in full by and at the cost of the City.

Any employee leaving City service with a minimum of 25 years government service, excluding military service, the last five of which were with the City of Rock Hill, may be eligible to purchase health insurance at the City's cost upon leaving the City upon payment of the premium that the City currently pays for actual insurance.

Additional special provisions may apply to other retiree/employee situations.

Schedules A and B list the number of years of retiree service and City contributions for all employees based on individual eligibility. These and all benefits may be changed at any time, by action of City Council. Any questions regarding medical, life or dental benefits should be directed to the Human Resources Department.

RETIREE HEALTH INSURANCE COVERAGE

The City of Rock Hill currently provides and contributes to the premium cost of retiree health insurance as follows:

If a current employee becomes eligible to retire due to disability as determined by the State Retirement Systems and has ten or more years of continuous, unbroken service to the City immediately preceding his disability retirement, the employee may be eligible to continue to participate in the City's insurance program as a retiree. Premium contributions by the City are based on years of service shown in the

schedule below except that if the disability was caused by a job-related injury or illness, the City currently pays the full cost of the retiree health insurance premium. All other employees who retire from the City may be eligible to participate in the City’s retiree insurance program as follows:

- The employee must retire in accordance with State Retirement System’s rules;
- At the time of retirement from the City, the employee must have completed at least 25 years of government service determined by creditable federal, state or local government employment, excluding military service; and
- The employee’s last five years of service must have been with the City.

Premium contributions by the City are based on years of service shown in Schedule A.

SCHEDULE A - For employees hired on or after January 1, 1991, who are eligible for insurance, the City will contribute to retirement medical insurance beginning with 25 years of service.

NUMBER OF YEARS OF CITY OF ROCK HILL RETIREE SERVICE	CITY’S SHARE MONTHLY
28	\$200.00
27	\$190.00
26	\$180.00
25	\$170.00
1 – 24	\$0.00

SCHEDULE B - For employees hired on or prior to January 1, 1991, who are eligible for insurance, the City will contribute to retirement medical insurance according to the following schedule:

NUMBER OF YEARS OF CITY OF ROCK HILL RETIREE SERVICE	CITY’S SHARE MONTHLY
28	\$200.00
27	\$190.00
26	\$180.00
25	\$170.00
24	\$160.00
23	\$150.00
22	\$140.00
21	\$130.00
20	\$120.00
19	\$110.00
18	\$100.00
17	\$90.00
16	\$80.00
15	\$70.00
5 – 14	\$60.00

The premium owed by the retiree will be the full premium cost less the City contribution for which the retiree is eligible, if any.

IMPORTANT: THE BENEFITS DESCRIBED IN THIS POLICY ARE SUBJECT TO CHANGE AT ANY TIME BY THE CITY. NO EMPLOYEE OR RETIREE HAS ANY RIGHT TO ANY BENEFIT OR TO CONTINUE ANY BENEFIT DESCRIBED IN THIS POLICY.

Amendment - Section 7.13 Medical, Dental and Life Insurance

- A. For continuation of insurances purposes, a retiree is an employee with 25 years of eligible ~~continuous~~ service. ~~(For insurance purposes and in all other instances, broken service of less than one year with the City of Rock Hill is counted as continuous service. Please see Section 1.01—Definition of Terms.)~~ If an employee becomes totally disabled (as approved by the Medical Board of the State Retirement System) after 10 years of eligible ~~continuous~~ service, the employee will be eligible for retiree insurance (See Schedule A). If the disability is job-related and occurs after ten years of ~~continuous~~ eligible service, the medical insurance premium will be provided in full by and at the cost of the City.

BACKGROUND

Benefits are important to employees and their families. This is especially true in the case of an employee who dies or dies in the performance of his duties. We would like to recommend two amendments to benefits in the event of an active employee's death:

- A. \$10,000 to the family or beneficiary designee in the event of death in the line of duty, and
- B. A special temporary insurance extension in the case of an active employee's death.

Amendment - Section 7.13 Medical, Dental and Life Insurance

Effective July 1, 2010 the City will provide \$10,000 to the family or beneficiary designee of an active employee who dies while performing his duties. Also, effective July 1, 2010 the City will waive the health insurance premium for the first year following an employee's death based on the employee's prior level of coverage. Following the one year waiver, the family may continue coverage at the employer funded rate, as long as eligible.

IMPORTANT: THE BENEFITS DESCRIBED IN THIS POLICY ARE SUBJECT TO CHANGE AT ANY TIME BY THE CITY. NO EMPLOYEE OR RETIREE HAS ANY RIGHT TO ANY BENEFIT OR TO CONTINUE ANY BENEFIT DESCRIBED IN THIS POLICY.