

**CITY OF DULUTH
3167 Main Street
Duluth, GA 30096
770-476-3434**

Employee Benefits Summary

Effective 6/1/2009

The purpose of this information sheet is to provide a very limited overview of fringe benefits which are available to full-time City employees. The following descriptions and summaries are only very general in nature and are not a contract between the City of Duluth and its employees. In all cases, contracts of coverage, and city policies will supersede any information provided here. The full details of each benefit will be provided to the employee through the normal coverage packages. All benefits, contributions, premiums, and coverage are subject to change without notice.

ANNUAL LEAVE

Annual Leave	<p>Employees earn annual leave from the day they start work, but are unable to take it until they have completed 6 months of employment. You may carry over up to 240 hours of annual leave per year. By December 31 following two years of employment, and every year thereafter, you must use ½ of your annual accrual or you lose it.</p>		
	Anniversary Year	Weekly Accrual	Time Earned Per Year
	By End of 1 st Year	0.77	40 hours (1 week)
	1-4	1.54	80 hours (2 weeks)
	5-9	2.31	120 hours (3 weeks)
	10-14	3.08	160 hours (4 weeks)
	15-19	3.85	200 hours (5 weeks)
	20+	4.62	240 hours (6 weeks)

SICK LEAVE

Sick Leave	<p>Employees earn 1.85 hours of sick leave each week (which equals 8 hours of sick leave each month, or 12 days per year). Sick leave accumulation is unlimited. Upon retirement, the unused sick leave is applied to service credit for retirement benefits.</p>
-------------------	---

HOLIDAYS

Holidays	9 annual paid holidays <ul style="list-style-type: none"> ▪ New Years Day ▪ Martin Luther King Day ▪ National Memorial Day ▪ Independence Day ▪ Labor Day ▪ Thanksgiving Day ▪ Friday after Thanksgiving Day ▪ Christmas Day ▪ Day After Christmas ▪ Note: Observed days may vary based on weekends and City Council directive 	<u>2009 Actual Dates</u> January 1, 2009 January 19, 2009 May 25, 2009 July 6, 2009 September 7, 2009 November 26, 2009 November 27, 2009 December 24, 2009 December 25, 2009
-----------------	--	--

OTHER PAID LEAVE

Personal Days	3 annual paid personal days (these days can be used the same as annual leave for any purpose, but they are designed to allow employees the opportunity to take off for holidays they wish to observe but which the City does not observe) (prorated accrual during 1 st year of employment)
Funeral Leave	1-5 annual days paid leave (based on relationship to employee and the location of the funeral)
Military Leave	<ul style="list-style-type: none"> ▪ Military Leave in accordance with state and federal law
Court Leave	<ul style="list-style-type: none"> ▪ Court Leave in accordance with state and federal law and city policy

UNPAID LEAVE

FMLA Leave	<ul style="list-style-type: none"> ▪ Family and Medical Leave (FMLA) in accordance with federal law
Leave to Vote	<ul style="list-style-type: none"> ▪ Leave to Vote in accordance with state law
Leave Without Pay	<ul style="list-style-type: none"> ▪ Leave without Pay upon approval of department head
Blood Donation	<ul style="list-style-type: none"> ▪ Leave for Blood Donation in accordance with state law

MEDICAL INSURANCE

Employee deductions for medical insurance are only taken out of the first 4 paychecks per month; no deductions on the 5th week in a month

Medical Insurance	Medical insurance is provided through Blue Cross/Blue Shield HMO. This group medical insurance plan, as described in the certificate of coverage, covers doctor's office visits, inpatient/outpatient hospital services, emergency room services, prescription drugs, inpatient/outpatient mental health care and substance abuse treatment, inpatient substance abuse detoxification, home health care services, hospice care services, and skilled nursing facility.																																	
Weekly Cost to Employees	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Type of Coverage (HMO)</u></th> <th style="text-align: left;"><u>Employee Pays</u></th> <th style="text-align: left;"><u>City Pays**</u></th> </tr> </thead> <tbody> <tr> <td>Employee Only</td> <td>\$ 3.75/week (\$ 15.00/mo.)</td> <td>\$ 300.22/mo.</td> </tr> <tr> <td>Employee & Spouse</td> <td>\$ 20.30/week (\$ 81.20/mo.)</td> <td>\$ 741.54/mo.</td> </tr> <tr> <td>Employee & Child(ren)</td> <td>\$ 18.39/week (\$ 73.56/mo.)</td> <td>\$ 690.51/mo.</td> </tr> <tr> <td>Family</td> <td>\$ 32.57/week (\$130.28/mo.)</td> <td>\$ 1068.76/mo.</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <th style="text-align: left;"><u>Type of Coverage (POS)</u></th> <th style="text-align: left;"><u>Employee Pays</u></th> <th style="text-align: left;"><u>City Pays**</u></th> </tr> <tr> <td>Employee Only</td> <td>\$15.13/week (\$ 60.52/mo.)</td> <td>\$ 345.72/mo.</td> </tr> <tr> <td>Employee & Spouse</td> <td>\$48.40/week (\$193.60/mo.)</td> <td>\$ 853.95/mo.</td> </tr> <tr> <td>Employee & Child(ren)</td> <td>\$44.56/week (\$178.24/mo.)</td> <td>\$ 795.19/mo.</td> </tr> <tr> <td>Family</td> <td>\$73.10/week (\$292.40/mo.)</td> <td>\$1230.85/mo.</td> </tr> </tbody> </table> <p>* Employees who desire the ability to use out-of-network providers may select Point-of-Service (POS) coverage. ** This is the gross amount the City is billed for, not taking into account the employee's weekly contributions.</p>	<u>Type of Coverage (HMO)</u>	<u>Employee Pays</u>	<u>City Pays**</u>	Employee Only	\$ 3.75/week (\$ 15.00/mo.)	\$ 300.22/mo.	Employee & Spouse	\$ 20.30/week (\$ 81.20/mo.)	\$ 741.54/mo.	Employee & Child(ren)	\$ 18.39/week (\$ 73.56/mo.)	\$ 690.51/mo.	Family	\$ 32.57/week (\$130.28/mo.)	\$ 1068.76/mo.	 			<u>Type of Coverage (POS)</u>	<u>Employee Pays</u>	<u>City Pays**</u>	Employee Only	\$15.13/week (\$ 60.52/mo.)	\$ 345.72/mo.	Employee & Spouse	\$48.40/week (\$193.60/mo.)	\$ 853.95/mo.	Employee & Child(ren)	\$44.56/week (\$178.24/mo.)	\$ 795.19/mo.	Family	\$73.10/week (\$292.40/mo.)	\$1230.85/mo.
<u>Type of Coverage (HMO)</u>	<u>Employee Pays</u>	<u>City Pays**</u>																																
Employee Only	\$ 3.75/week (\$ 15.00/mo.)	\$ 300.22/mo.																																
Employee & Spouse	\$ 20.30/week (\$ 81.20/mo.)	\$ 741.54/mo.																																
Employee & Child(ren)	\$ 18.39/week (\$ 73.56/mo.)	\$ 690.51/mo.																																
Family	\$ 32.57/week (\$130.28/mo.)	\$ 1068.76/mo.																																
<u>Type of Coverage (POS)</u>	<u>Employee Pays</u>	<u>City Pays**</u>																																
Employee Only	\$15.13/week (\$ 60.52/mo.)	\$ 345.72/mo.																																
Employee & Spouse	\$48.40/week (\$193.60/mo.)	\$ 853.95/mo.																																
Employee & Child(ren)	\$44.56/week (\$178.24/mo.)	\$ 795.19/mo.																																
Family	\$73.10/week (\$292.40/mo.)	\$1230.85/mo.																																
Co-Pays (HMO)	\$20 office visit \$30 specialist or OB/GYN \$100 emergency room (waived if admitted) \$15 generic / \$30 name brand prescription co-pays Mail order prescriptions also available – get 3 months of medication and only pay 2 months co-pay amount																																	
Effective Date	Coverage is effective the first of the month following 30 days employment.																																	
Optional Coverage	Employees may voluntarily select (and totally pay for) additional types of medical insurance (such as medical supplement, cancer, accident, and intensive care) through outside vendors.																																	

DENTAL INSURANCE

Employee deductions for dental insurance are only taken out of the first 4 paychecks per month; no deductions on the 5th week in a month

Dental Insurance	Dental insurance is provided through Guardian Insurance Company. There is a basic plan, and an optional higher-limits plan.		
Basic Plan	<u>Basic Plan</u>	<u>Employee Pays</u>	<u>City Pays*</u>
	Employee Only	\$0.42/week (\$1.68/mo.)	\$ 33.81/month
	Employee & Spouse	\$1.73/week (\$6.92/mo.)	\$ 68.68/month
	Employee & Child(ren)	\$2.34/week (\$9.36/mo.)	\$ 85.04/month
	Family	\$3.65/week (\$14.60/mo.)	\$119.90/month
	Maximum payable benefit is \$1,500 per person/per year. (Note--Children's orthodontia has a lifetime benefit of \$1,500. There is no adult orthodontia benefit under the basic plan—see the optional higher limits plan)		
Optional Higher Limit Plan	At the employee's option, they can elect to purchase \$2,500 annual benefits (rather than \$1,500 under the basic policy). In addition to the higher limits, this option pays up to \$1,500 lifetime benefit for <u>adult</u> orthodontia. The rates are:		
		<u>Employee Pays</u>	<u>City Pays*</u>
	Employee Only	\$2.37/week (\$9.48/mo.)	\$ 41.60/month
	Employee & Spouse	\$5.69/week (\$22.76/mo.)	\$ 84.52/month
	Employee & Child(ren)	\$7.25/week (\$29.00/mo.)	\$104.65/month
	Family	\$9.93/week (\$39.72/mo.)	\$145.01/month
Co-Pays	Depending on type of services, insurance pays 100%, 80%, or 50%, after a \$50 deductible for services not paid at 100%. Orthodontia has a 50% copay.		
Effective Date	Coverage is effective the first of the month following 30 days employment. * This is the gross amount the City is billed for, not taking into account the employee's weekly contributions.		

VISION BENEFITS

VSP Access	<p>You have access to a nationwide network of over 22,000 vision care locations through the VSP Vision Access program:</p> <ul style="list-style-type: none"> ○ 20% off eye exams ○ 20% off frames, prescription lenses and lens options when a complete pair of prescription glasses is purchased ○ 15% off the VSP doctor's contact lens professional services* ○ Discounts averaging 15% off on laser vision correction surgery ○ Discounts are only available from the VSP network doctor who provided the member's eye exam within the past 12 months <p>Members pay the discounted charge directly to the provider. No need to file a claim. No ID cards are required. Members can create customized participating vision care provider directories at www.GuardianLife.com</p> <p>* This is not insurance. Members must pay the entire discounted charge directly to the provider. ** Contact lenses are not discounted.</p>
Benefit Through Blue Cross Medical Insurance Plan	<p>Reduced cost for eye exams at "Lenscrafters"</p>

EMPLOYEE ASSISTANCE PROGRAM

Employee Assistance Program	<p>In order to assist employee with problems in their personal lives that may be affecting their work performance due to worry and anxiety, we have provided access to a confidential counseling program called "Work-Life Matters."</p> <p>You can call trained counselors who will assist you with support and professional guidance, telephone consultation, in-person appointments, and help you develop an action plan. Included are such situations as emotional, mental, or behavioral problems, such as depression, anxiety, relationships, or alcohol and drug problems.</p> <p>Also covered are such situations as: parenting issues, care giving concerns, college planning, relocation, financial concerns while receiving a disability payment or a large death benefit payment. Even legal advice on such topics as real estate, living wills, and estate and probate law are covered.</p> <p>Be sure to read the brochure for complete details.</p> <p>1-800-386-7055 www.ibhworklife.com Company Name: Matters Password: wlm70101 Monday-Friday, 9am – 8pm, with 24/7 emergency access</p>
------------------------------------	---

WELLNESS PROGRAM

Wellness Days	Employees who do not use sick leave for a calendar quarter are eligible for one “well-day” each quarter which is added to their annual leave (maximum of 4 per year). Well days may also be earned for participation in certain wellness events, i.e., smoking cessation, exercise program, etc.
Low Cost Classes	All employees may taken regularly scheduled classes at the Bunten Road facility of the Parks and Recreation Department for 50% off.

PAY INCREASES & SIMILAR BENEFITS

Merit Increases	Merit based raises, based on the employee’s job performance and departmental budgets. Merit increases are effective in January of each year. * No merit increases in the FY2010 budget
Cost of Living Adjustment (COLA)	A Cost-of-Living-Adjustment is considered annually by Council, and if approved, the pay scale is adjusted in January. * No COLA increase in the FY2010 budget
Performance Compensation	Employees with one full year of service receive two percent (2%) of base salary based on job performance, the city staying within its budget, and this benefit being approved and included in each year’s budget. This payment is usually made in mid-November. Employees with less than one year service may receive a prorated amount if approved by their Department Head, based on the employee’s job performance. * No Performance Compensation in the FY2010 budget

ADDITIONAL BENEFITS

Direct Deposit	All employees are <u>strongly encouraged</u> to use Direct Deposit of payroll checks into a checking or savings account.
Education Tuition Reimbursement Plan	The City encourages its employees to further their education with job-related education at vocational, technical and collegiate schools. You must be employed with the City for 1 year to be eligible for this program. If approved and if budgeted funds are available, the City will pay the tuition for the course. Books and supplies are to be paid for the employee. The employee must make at least a "C" in the course, and must remain employed with the city for 12 months after completing the course, or else they must reimburse the city. Financial assistance may not exceed one week’s pay for any single tuition course, with an annual limit of \$3,000 per employee. Funds for tuition reimbursement are limited and must be available in each Department’s approved budget. * No reimbursement in the FY2010 budget
Credit Union	Membership available in Associated Federal Credit Union. The credit union offers free checking, savings, and loans to members. Please read the entire membership package for more details. www.acuonline.com

SECTION 125 BENEFITS

Section 125 Plans	IRS Rules Section 125 permits employers to provide certain benefits on a pre-tax basis. The City has implemented all 3 possible Section 125 benefits: (1) insurance contributions/premiums (2) flexible spending account for unreimbursed medical expenses (3) flexible spending account for dependent child care expenses
Insurance Contributions/ Premiums	Insurance contributions and premiums which are eligible for pre-tax treatment are automatically paid on a pre-tax basis.
Unreimbursed Medical Expenses	Employees may elect to have up to \$96.15 per week (\$5,000 annual)* withheld on a pre-tax basis to pay for otherwise unreimbursed medical expenses. Typically, this money is used to reimburse the employee for co-pays (doctor, prescription), medical and dental deductibles, uncovered procedures, and certain over-the-counter drugs.
Dependent Child/Adult Care Expenses	Employees may elect to have up to \$96.15 per week (\$5,000 annual)* withheld on a pre-tax basis to pay for dependent child or adult care.
Eligibility Date	Full-time employees are eligible to participate in the pre-tax insurance contributions/premiums immediately upon employment. After 1 year, employees may participate in the unreimbursed medical expenses and dependent child/adult care expenses plans.

DISABILITY INSURANCE

Short-Term Disability	<p>Short-term disability insurance is provided through Greater Georgia Life Insurance Company. The City pays 100% of the premium. There is a waiting period of 14 calendar days, during which the employee may use accrued sick leave. Employees receiving benefits receive 70% of their base 40-hour weekly pay amount, with a \$1,500.00 per week maximum and a 24-week limit.</p> <p>The City pays the premium of 0.63% of the employee's base salary.</p>
Long-Term Disability	<p>Long-term disability insurance is provided through Greater Georgia Life Insurance Company. The City pays 100% of the premium. Long-term disability benefits begin after short-term disability insurance payments end. Persons receiving long-term disability insurance payments receive 60% of their base 40-hour weekly pay amount, with a \$6,000 per month maximum (minus any other payments received [i.e. Social Security, pension payments, etc.]), and may continue to receive payments until eligible for Social Security Disability benefits. A spousal disability rider is included.</p> <p>The City pays the premium of 0.41% of the employee's base salary.</p>
Effective Date	Coverage is effective the first of the month following 30 days employment.

LIFE INSURANCE

Life Insurance	<p>Group term life insurance is provided through Greater Georgia Life Insurance Company. The City pays 100% of the premium. The policy provides for one times the employee's base salary (with a minimum of \$30,000) death benefit and two times the employee's base salary for accidental death and dismemberment benefit.</p> <p>The city pays \$0.18 per month, per thousand of coverage.</p>
Optional Life Insurance	Employees may voluntarily select (and totally pay for) additional life insurance for him(her)self, spouse and children.
Effective Date	Coverage is effective the first of the month following 30 days employment.

DEFERRED COMPENSATION (457b) PLAN

Deferred Compensation (457b) Plan	Employees are eligible to contribute to a deferred compensation (457b) plan immediately upon employment. The main plan is offered through the Georgia Municipal Association (GMA) with management through MetLife. A MetLife financial counselor is available to assist you in enrollment and investment planning.
Contribution Limits	Employees can contribute up to 100% of their gross pay to the 457b fund, subject to an annual limit (\$16,500 for calendar year 2009), plus an additional \$5,500 contribution if you are age 50 or over. If you age 62 or over, you can contribute up to \$33,000.
Vesting	Because this fund contains only employee contributions, employees are always 100% vested in this fund.
City Contribution (401a) Plan	After 1 year of continuous employment, the City will make a contribution to an employee's 401A plan of 1/2% for each 1% of salary the employee contributes to the GMA deferred compensation (457b) plan up to a maximum 2% city contribution (=4% employee contribution). 100% vesting occurs at 5 years, after which you can direct the investment of the money using the same fund selections as for the 457b Plan. Prior to vesting, the money is kept in a stable value fund. The plan is offered through the Georgia Municipal Association (GMA) with management through MetLife.

457b / 401a FUNDS INVESTMENT CHOICES
(updated 5/29/2008; subject to change at any time)

<u>Ticker</u>	<u>Fund Name</u>	<u>Category</u>
<u>MONEY-MARKET & STABLE VALUE</u>		
?	Western Asset Money Market	Money Market
?	Invesco Stable Value	Stable Value
<u>BONDS</u>		
PTRAX	PIMCO Funds: Total Return/ Admin	Intermediate-Term Bonds
STCBX	Wells Fargo Advantage Corporate Bond/ Inv	Intermediate-Term Bonds
PHIYX	PIMCO High Yield (Institutional)	High Yield Bond
PAEMX	PIMCO Funds: Emerging Markets Bond/ A	Emerging Markets Bonds
PFORX	PIMCO Funds: Foreign Bond US Dollar-Hedged/ I	Global Bonds
RRTIX	T. Rowe Price Retirement Income R	Balanced
<u>STOCKS</u>		
SCCAX	Legg Mason Partners Capita/ A	All-Cap Value Stocks
SHRAX	Legg Mason Partners Aggressive Growth/ A	All-Cap Growth Stocks
SHFVX	Legg Mason Partners: Fundamental Value A	Large-Cap Value Stocks
PEOPX	Dreyfus Index Funds: S&P 500 Index Fund	Large-Cap Blend Stocks
SINAX	Legg Mason Partners Investors Value/ A	Large-Cap Value Stocks
SGROX	Wells Fargo Advantage Growth/ Inv	Large-Cap Growth Stocks
SSGWX	SSgA Core Opportunities Fund	Large-Cap Blend Stocks
PTAAX	Allianz Funds: OCC Target/ A	Mid-Cap Growth Stocks
PESPX	Dreyfus Index Funds: Mid Cap Index Fund	Mid-Cap Blend Stocks
RYPNX	Royce Opportunity Fund/ I	Small-Cap Value Stocks
GTSAX	AIM Small Cap Growth Fund/ A	Small-Cap Growth Stocks
RAGTX	Allianz Funds: RCM Technology/ A	Technology Stocks
GTHIX	AIM Global Health Care Fund/ Inv	Health Care Stocks
GGHCX	AIM Global Health Care Fund/ A	Health Care Stocks
CSRSX	Cohen & Steers Realty Shares	Real Estate Stocks
JIGRX	Janus Adviser: International Growth Fund/ S	International Stocks
OPPAX	Oppenheimer Global/ A	Global Stocks
ODMAX	Oppenheimer Developing Markets/ A	Emerging Markets

<u>Ticker</u>	<u>Fund Name</u>	<u>Category</u>
<u>BALANCED</u>		
JABRX	Janus Adviser: Balanced Fund/S	Balanced - Hybrid US
JABAX	Janus Balanced Fund	Balanced - Hybrid US

TARGET DATE FUNDS

RRTAX	T. Rowe Price 2010 Retirement	Balanced
RRTMX	T. Rowe Price 2015 Retirement	Balanced
RRTBX	T. Rowe Price 2020 Retirement	Balanced
RRTNX	T. Rowe Price 2025 Retirement	Balanced
RRTCX	T. Rowe Price 2030 Retirement	Balanced
R RTPX	T. Rowe Price 2035 Retirement	Balanced
RRTDX	T. Rowe Price 2040 Retirement	Balanced
RRTRX	T. Rowe Price 2045 Retirement	Balanced
RRTFX	T. Rowe Price 2050 Retirement	Balanced
RRTVX	T. Rowe Price 2055 Retirement	Balanced

Note: Other funds are available only to existing participants

RETIREMENT (PENSION) PLAN

Plan Provider	This plan is administered by The Georgia Municipal Association (GMA) through GMEBS.
Eligibility	Employees are eligible for the plan after completing one year of service.
Vesting	Employees are 100% vested after five years of employment. Prior service with other municipal employers who are also in the GMA plan may be counted for purposes of vesting in the plan.
Employee Cost	There is no cost to the employee. The City pays the entire cost.
Retirement Benefit	<p>The annual retirement benefit is calculated by multiplying an employee's credited years of service by the employee's highest consecutive five-year average salary, and then multiplying that figure by 1.5% (.015).</p> <p>For Example: An employee has 15 years of credited service with the highest five-year average salary of \$40,000. Their benefit at normal retirement age would be: 15 years x \$40,000 x 1.5% = \$9,000/yr = \$750/mo.</p>
Retirement Age & Service Requirements	<p>Normal retirement age is 65 with five years of service. Early retirement, with reduced benefits, is available between ages 55 and 65 with ten years of service.</p> <p>If you retire before age 65, your benefit will be reduced—the earlier you retire, the lower your benefit will be. For example: at age 60, you would receive 66.7% of your normal retirement benefit; at age 55, you would receive 50% of your normal retirement benefit.</p> <p>* If you have 25 years of service and are age 60, or if you have 20 years of service and are age 62, you may retire at that time with no reduction in monthly benefit due to age. You may also elect to stay in the group medical insurance plan (along with a spouse) until you are Medicare-eligible (age 65) with a subsidized premium based on your years of service.</p>
Pay Out Options	<p>Option A – Lifetime Monthly Benefit for Retiree Only; No Survivor Benefit</p> <p>Option B – Reduced Lifetime Monthly Benefit for Retiree; Lifetime Survivor Benefit (25%, 50%, 75%, or 100%)</p> <p>Option C – Reduced Lifetime Monthly Benefit for Retiree; Lifetime Survivor Benefit With Pop-Up</p> <p>Option D – Reduced Lifetime Monthly Benefit for Retiree; Survivor Benefit for Designated Period</p> <p>Option E – Increased Monthly Benefit Until Age 62; Reduced Monthly Benefit Thereafter (Social Security offset)</p>