**ARTICLE VI. EMPLOYEE BENEFITS**

**Section 1. Eligibility**

All full-time and part-time employees (see definitions) of the Town are eligible for employee benefits as provided for in this policy. These benefits are subject to change at the Town's discretion. Temporary employees are eligible only for workers' compensation and FICA.

**Section 2. Group Health and Hospitalization Insurance**

The Town provides group health and hospitalization insurance programs for full-time employees. Subject to annual appropriation by the Town Council, the Town will pay 100% of the employee’s premium and 25% of any covered dependent’s premium.

Part-time employees (see definitions) who are scheduled to work 20 hours or more per week on a continuous year-round basis may, if they so desire, purchase available group health through the Town for themselves or for themselves and qualified dependents. A pro-rated amount of the cost of coverage paid for a full-time employee shall be paid by the Town with the remainder of the cost being paid by the employee. This pro-rated amount shall be based on regularly scheduled hours.

Information concerning cost and benefits shall be available to all employees from the Human Resources Department.

**Section 3. Group Life Insurance**

The Town may elect to provide group life insurance for each employee subject to the stipulations of the insurance contract. Life insurance will be provided by the Town in the amount of $30,000 for all employees except department heads who will be provided at the rate of $40,000. Employees may elect to purchase additional coverage and/or to insure other family members at their expense subject to the stipulations of the insurance contract.

**Section 4. Other Optional Group Insurance Plans and Benefits**

Subject to annual appropriation by the Town Council, the Town will provide all employees with a short-term disability insurance policy.

Subject to annual appropriation by the Town Council, the Town will pay 25% of the employees’ premium for Dental Insurance.

The Town may make other group insurance plans available to employees upon authorization of the Town Manager or Town Council.

**Section 5. Retirement**

Each employee who is expected to work for the Town more than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System on the first day of employment as a condition of employment.

**Section 6. Supplemental Retirement Benefits**

The Town may provide supplemental retirement benefits for its full and part-time employees. Each law enforcement officer shall receive 401-K benefits as prescribed by North Carolina State Law and beginning on the first day of employment. Each general employee shall receive supplemental benefits as determined by the Town Council.

**Section 7. Social Security**

The Town, to the extent of its lawful authority and power, extends Social Security benefits for its eligible employees and eligible groups and classes of such employees.

**Section 8. Workers' Compensation**

All employees of the Town (full-time, part-time, 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 employment to their immediate supervisors at the time of the injury in order that appropriate action may be taken at once. This provision also applies to reactions to small pox vaccinations administered to Town employees under Section 304 of the Homeland Security Act. Such reactions shall be treated the same as any other workers’ compensation claim in regards to leave and salary continuation.

Employees may use sick leave and/or vacation both during the waiting period before Workers' compensation benefits begin, and afterward to supplement the remaining one-third of salary, except that employee may not exceed the regular salary amount using this provision.

Responsibility for claiming compensation under the Workers' Compensation Act is on the injured employee, and such claims should be filed with the North Carolina Industrial Commission within five days of the date of injury. The Human Resources Officer will assist the employee in filing the claim.

**Section 9. Unemployment Compensation**

In accordance with Public Law 94-566 and subsequent amendments, 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 Employment Security Commission office, where a determination of eligibility will be made.

**Section 10. Tuition Assistance Program**

Full-time employees who have completed initial probation may apply for tuition reimbursement for courses taken on their own time or during educational leave which will improve their skills for their current job or prepare them for promotional opportunities with the Town. Tuition, registration fees, laboratory fees, and student fees are eligible expenses. Employees may be reimbursed eligible expenses up to a total of one thousand dollars ($1,000) per fiscal year. Satisfactory completion of the courses will be required for reimbursement. Requests for tuition assistance shall be submitted to the Human Resources Department prior to course registration and are subject to the review and approval of Department Head and Town Manager, subject to availability of funds. The Human Resources Officer shall request funding for this program as part of the budget process.