

City of Lansing

Non-Bargaining Fringe Benefits

Fringe benefits provided to non bargaining employees shall be in accordance with provisions provided to other City employees as determined by the Mayor.

Health Insurance: The City of Lansing shall offer at the time of hire or during an annual open enrollment period the following choice of medical insurances. Coverage will be effective the first (1st) day of the month following the date of hire. Employees will pay 5% of the cost of the premium of the selected plan. This will be made through a bi-weekly payroll deduction on a pre-tax basis. Current plans offered are:

* Blue Cross/Blue Shield PPO - includes a \$20.00 co-pay for office visits. Prescription drug co-pays are \$10/\$20/\$40 generic/preferred brand /non-formulary co-payment with a mail order prescription drug service plan. This plan includes a \$500 calendar year limit on preventative services, emergency room services with a \$50 co-pay, urgent care visits with a \$20 co-pay, and a 50% co-pay for mental health and substance abuse services. Summary booklets are available in the Department of Human Resources.

* Physicians Health Plan - includes a \$20.00 co-payment for office visits. Prescription drug co-pays are \$15/\$25/\$50 generic/preferred brand/non-formulary co-payment. This plan includes emergency room services with a \$50 co-pay and urgent care visits with a \$20 co-pay. Optical (vision) coverage, for exam only with \$15.00 co-payment. Summaries are available in the Department of Human Resources.

Double coverage for spouses employed by the City of Lansing will not be permitted. A waiver payment for the spouse not receiving coverage will be made.

Vision Plan: The City will provide Blue Cross Blue Shield A-80 vision coverage. This includes coverage for a vision examination with a \$5.00 co-pay once every 12 months and lenses, frames, and contact lenses coverage with a \$7.50 co-pay once every 12 months. This is a stand alone plan.

Medical Insurance Opt Out Program: Pursuant to the City of Lansing 125 Cafeteria Plan, employees may choose to opt-out of the City's health care plan annually, during an open enrollment period. An employee who opts-out of the City's health care plan will be eligible to receive \$1800.00 annually, in accordance with the procedures of the Medical Insurance Opt-Out Program.

Dental Insurance: The City pays the full premium costs for the Dental plan provided by the City, coverage includes the employee and family members. Coverage includes 100% coverage for cleaning; 50% coverage for treatment costs with an \$1200 maximum per person per contract year. Employees and dependents will also receive orthodontic coverage which

provides fifty percent (50%) of treatment costs with a \$3,500.00 lifetime maximum per person. Coverage is effective the first day of the month following thirty calendar days of service. Booklets and summaries are available in the Department of Human Resources.

Life Insurance: The City pays the premium for a base \$50,000 of group life and \$50,000 Accidental Death and Dismemberment Insurance for full-time regular employees. Life insurance coverage for dependents is available for a reasonable cost to the employee, in accordance with the following schedule:

Spouse	\$25,000
Unmarried child, age 14 days to 6 months	\$ 500
6 months to 23 years	\$ 2,000

Coverage is effective one (1) month and one (1) day following the date of hire. Summaries are available in the Department of Human Resources.

Longevity Bonus: Longevity bonuses shall be paid to employees as follows:

5 but less than 10 years service	2% bonus
10 but less than 15 years service	4% bonus
15 but less than 20 years service	6% bonus
20 but less than 25 years service	8% bonus
25 or more years	10% bonus

Following completion of five (5) years of continuous full time service by October 1 of any year and continuing in subsequent years of such service, each employee shall receive annual longevity payments as provided in the schedule. Payments to employees who become eligible by October 1 of any year shall be due the subsequent December 1.

No longevity payment as above scheduled shall be made for that portion of an employee's regular salary or wage which is in excess of the negotiated maximum base wage, which is currently \$20,000.00.

Vacation: A new employee shall be credited with 80 hours vacation available for use after the completion of one (1) year of service. In subsequent years two (2) years through five (5) years of service, employees receive 80 hours vacation, with a maximum accumulation of 240 hours per pay period. The maximum accumulation increase correlates with the increase in vacation accrual. After five years of service, employees will receive an additional eight (8) hours vacation for each year of additional full-time service, not to exceed a maximum vacation leave of 160 hours accrued in any given year, with a rolling cap of 400 hours per pay period. *For explanation of separation payment see page 6.

Sick Leave: Employees shall be credited with 3.7 hours of sick leave each pay ending (approximately (1) one day per month), no maximum accumulation. Employees may use sick leave for absences due to his/her illness or injury, including pregnancy, or an illness or injury in his/her immediate family. No sick leave credit shall be accrued by an employee during an unpaid leave of absence. Upon separation from the City, employees shall be paid 50% of accrued sick leave up to a maximum of 680 hours paid except in cases when fraud, theft, or embezzlement have resulted in discharge. *For explanation of separation payment see page 6.

An employee who has accumulated 60 days of sick shall have the option at the end of the calendar year to relinquish and receive a reimbursement for up to the first four unused sick leave days accrued that year over 60 days.

Personal Leave: Employees receive two (2) personal leave days annually on January 1 or at time of hire. Personal days must be used by December 31 or they shall be forfeited. *For explanation of separation payment see page 6.

Holidays: New Year's Day
 Martin Luther King Birthday
 Good Friday
 Memorial Day
 Independence Day
 Labor Day
 Veterans Day
 Thanksgiving Day
 Friday After Thanksgiving Day
 Day Before Christmas
 Christmas Day
 Day Before New Year's Day

Bereavement: At the time of the death of a spouse, child, step-child, parent, step-parent and parent of a current or deceased spouse, an employee will be entitled to use a maximum of the next five (5) working days with pay, not to be deducted from the accumulated sick leave, to arrange for and/or attend a funeral or memorial service. Additional time may be taken off with the approval of the department head and charged to vacation, personal leave or compensatory time.

An employee will be entitled to use a maximum of three (3) working days with pay, not to be deducted from the accumulated sick leave to make arrangements and attend a funeral or memorial service for any other immediate family member. "Other immediate family" shall mean niece, nephew, brother, sister, brother-in-law, sister-in-law, grandparents, grandparents-in-law and grandchild.

Education Reimbursement: Employees covered herein shall be eligible for educational cost reimbursement benefits up to \$500.00 annually for job related courses. Such courses must have prior approval in writing and must be taken on personal time to be eligible for reimbursement. All

requests must be made in writing and courses must be satisfactorily completed with a grade of 2.5 or better.

Parking/Transportation Subsidy: Employees, who do not have a designated parking space due to the nature of their position will be provided parking at no cost at the North Grand expansion ramp or, if the employee's work site is located there at the North Capitol ramp. A monthly CATA bus pass at the City's expense or a subsidy equal to the cost of a monthly CATA bus pass to be used for SPECTRAN services will also be provided at no cost.

City of Lansing 125 Cafeteria Plan

Medical and Dependent Care Reimbursement: Employees have the opportunity to pay for medical insurance premiums, unreimbursed medical expenses, and dependent care costs with pretax dollars through AFLAC. AFLAC also offers supplemental insurances that may be purchased on a pretax basis through payroll deduction. Maximum cap on medical expense reimbursement will be \$2,500 per plan year.

Deferred Compensation: Employees shall be eligible to participate in the City's deferred compensation plan as may be offered by the City. Currently those plans include investment options from ING and T. Rowe Price. The employee may contribute up to a maximum of \$15,000.00 annually through payroll deduction or as revised by the Deferred Compensation Committee. For a bi-weekly employee the minimum contribution is \$25.00 per pay period. Summaries are available in the Department of Human Resources.

Employees hired after October 29, 1990 Defined Benefit Retirement System Retirement: Employees will belong to the City of Lansing General Employees Retirement System (ERS). Vesting, retirement factor multipliers and effective dates for calculation are all governed by Ordinance Chapter 292. Commencing October 1, 2003, the retirement factor for full time members will be one and six tenths percent (1.60%). Employee contributions for retirement will be six and five-tenths percent (6.50%) and deducted on a pretax basis.

As provided by ordinance; for service after September 30, 2003 the annual retirement amount is calculated at 1.6 times the final average compensation for the first 35 years of credited service. The maximum pension allowance will be equal to 100% of an employee's final average compensation. Eligibility, for regular retirement, will be age 50 with 25 or more years of service or age 58 with 8 or more years of service.

Employees hired before October 29, 1990 Defined Benefit Retirement System Retirement:
Employees shall be members of the City Employee Retirement System (ERS).
Benefit provisions are:

1. Employees are eligible for regular retirement with eight or more years of service when a) age 58 or more, or b) the age at which age plus service equals or exceeds 65. There is no mandatory retirement age

and final average compensation is based on the highest two consecutive years out of the last ten years.

2. Effective October 1, 2003, section 292.35, subsection (b) of the City of Lansing ordinances covering the General Employees' Retirement System requires exempt employees to contribute to the retirement system three and three-quarters per cent (3.75 %) of the employees' annual compensation. The retirement factor will be two and eight tenths quarter per cent (2.80%).

3. Employees promoted into a Sworn non-bargaining position with a full-time City hire date before October 29, 1990 shall have the option of remaining in the Police and Fire Retirement System or enrolling in the ERS System.

Retirement Health Care

Employees hired before October 29, 1990

The City will provide retirement health care when age and service equal 65 points and 15 or more years of City service. Retirement health care will be consistent with the health care plans available to active Non-Bargaining employees. Coverage will include eligible spouse and/or dependants and survivor spouse or dependant coverage with election of joint life pension. *

Employees hired on or after October 29, 1990 and before July 1, 2007

The City will provide retirement health care with completion of 15 or more years of City service. Retirement health coverage will begin at the date of termination of employment with the City or age 55, whichever is later. Retirement health care will be consistent with the health care plans available to active Non-Bargaining employees. Coverage will include eligible spouse and/or dependants as provided by the VEBA.*

Employees hired on or after July 1, 2007

The City will provide retirement health care with completion of 15 or more years of service. Retirement health coverage will begin at the date of termination of employment with the City or age 55, whichever is later. Retirement health care will be consistent with the health care plans available to active Non-Bargaining employees. Coverage provided will include 100% coverage for eligible employee and no coverage for spouse and/or dependants. Coverage for spouse and/or dependants can be purchased, if desired.*

*Retirees shall convert to complimentary coverage at their Medicare eligibility date.

Summary information regarding the Plan is available in the Department of Human Resources.

Classification/Compensation: Compensation and classification shall be administered by the Department of Human Resources and established through job content evaluation and wage line administration pursuant to the City's adopted classification/compensation plan.

Subsequent increases in compensation levels for the non bargaining employees shall be determined by the Mayor in accordance with provisions at the same level and date provided to other City employees.

Upon separation from City service an employee, or designated beneficiary (as defined by law), shall receive a lump sum payment for 100% of accrued vacation to a maximum of 400 hours, 50% of accrued sick leave to a maximum of 680 hours, and 100% of accrued personal leave. Compensatory Leave shall be administered in accordance with the Compensation Administration section of the Personnel Rules for Non-Bargaining employees.

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EQUAL OPPORTUNITY EMPLOYER

Rev. 01/05/09

Rev. 07/01/2007 Retirement health care, h/c premium share, inc. co-pays

Rev. 8/14/2003 New Retirement Plan

Rev. June 17, 2003 - Increase BCBS prescription co-pay, addition of stand alone vision, increase dental benefits

(Rev. December 5, 2001)

(Rev. July 25, 2001)

(Rev. July 1, 2001)

(Rev. September 27, 2000)

(Rev. June 20, 2000)