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INTRODUCTION

Welcome to Winthrop, a town with approximately 20,000 residents and employees. One of the most important assets to Town government is its 195 full time and 45 part time employees, who provide invaluable knowledge, skills, and services to the town. Winthrop's government is a Town Council and Council President-Town Manager form of administration. The legislative branch of Town government is the Town Council a body of elected citizen members responsible for passing by-laws, appropriating funds for municipal expenses and helping to establish policies and procedures for Town government. The actions of Town Council are executed by the Council President, the Town Manager and their appointees. Town government also relies on the active participation of citizens in the form of advisory committees and boards.

This summary outlines the benefits available to regular full-time and regular part-time qualified employees not covered by a collective bargaining unit who work at least twenty (20) hours per week. It does not cover benefits for employees of the School Department. Regular full-time employees maintain a full schedule on a regular, continuing basis and are fully eligible for benefits. Regular part-time qualified employees work no fewer than twenty (20) hours per week on a regular schedule and are also eligible for benefits.

As an employee of the Town of Winthrop, you are eligible to receive a wide range of benefits. Any further questions regarding the information presented in this folder should be addressed to the departments designated in each section or to your department head or supervisor.

HEALTH BENEFITS

As a new employee you are eligible to join a health insurance plan if you work at least twenty (20) hours per week on a regular schedule and in a regular position. As a new employee you have 30 days from your hire date in which to join a plan and your health insurance coverage is effective on the first day of the month after you are employed. Thereafter, you may add or change benefits only during the open enrollment period within 30 days of July 1st or within 30 days of a qualified family status change during the year.

The Town of Winthrop offers one group health insurance plan that employees can subscribe to or an individual or family basis (see following page for details).

The Town pays 70% of the Family plan and 85% of an individual plan of the Harvard/Pilgrim Plan offering. The remaining balance is subtracted, on a pre-tax basis, from your weekly/bi-weekly paycheck.

If you are on an approved unpaid leave of absence, you can maintain your health insurance coverage through the Town by paying the full monthly premium. Upon termination of employment, you can continue coverage for a period of up to eighteen (18) months (or 29 months if disabled) by individually bearing 102% of the total cost of the existing monthly premium. See the Treasurer/Collector for information on this coverage.

DENTAL BENEFITS

The Town offers a Delta Dental insurance plan. Plans may be selected on a family, individual plus one, or an individual basis. The Town offers the program but the employees pay 100% of the premium up to a maximum contributory determined at the start of the plan year. All premiums are subtracted, on a pre-tax basis, from your weekly/bi-weekly paycheck. As a new employee, your coverage will begin on the first day of the month after you are employed.

As with the health insurance, if you do not enroll when you are hired, you may join the plan during the open enrollment period within 30 days of November 1st, or within 30 days of a qualified family status change during the year.

HEALTH INSURANCE OPTIONS

Harvard/Pilgrim offers comprehensive benefits (i.e. routine office visits, physical exams, maternity care, X-rays, lab tests and pediatric care) within the Harvard/Pilgrim network of health care providers. For members who stay within the Harvard/Pilgrim network to receive their medical care, most services are covered either in full or with a small co-payment. A family membership covers spouse, dependants to the age of 19 and unmarried students to the age of 25. Questions concerning coverage should be addressed to Subscribers Relations at 1-800-509-2223.

HARVARD PILGRIM HEALTH CARE

This program provides coverage for routine office visits and physical exams, for a small co-payment. There is no charge for lab services, diagnostic X-rays, inoculations or pre-natal care. Members choose their own Harvard Health Center or Medical Group, and then a primary care physician within that group. A family policy provides coverage for spouses, unmarried children to age 19, and unmarried full-time students to age 25. Questions concerning the Harvard Health program should be addressed to Harvard Pilgrim Health Care at 617-509-2223.

LIFE INSURANCE

Employees who work twenty (20) hours or more per week are eligible for life insurance benefits. The cost of this benefit is shared equally by the Town and the individual employee; your share is deducted in equal installments from your bi-weekly paycheck. If you elect to join the plan, you will be covered by a \$2,000 term life policy during your employment. Upon retirement your coverage amount remains at \$2,000, the cost of coverage will still be equally shared.

You may designate one or more beneficiaries for this coverage. You may change beneficiaries at any time by completing the proper form available from the Treasurer/Collector's Office. Be sure to keep your beneficiaries up-to-date at all times.

When you are on an unpaid approved leave of absence you may maintain coverage by assuming responsibility for the full cost.

OPTIONAL LIFE INSURANCE

You have the option to purchase additional life insurance at your own expense. If you purchase additional life insurance on your initial hire date there is no physical exam required. The limit of insurance you may purchase is dependent upon your gross annual salary. You can maintain coverage at one times your annual compensation to a maximum of \$74,000 (M.G.L. 32B:11A). This optional life insurance is also automatically deducted in equal installments from your bi-weekly paycheck. More information about optional life insurance can be obtained from the Treasurer/Collector's Office.

TYPES OF LEAVE

BEREAVEMENT LEAVE

You will be granted up to a maximum of three (3) days of paid leave in the event of the death of a member of the immediate family. "Immediate" includes spouse, child, mother, father, sister, brother, grandparent, grandchild, mother-in-law, father-in-law, or any relative who resides with you as a member of your household. You will be granted up to a maximum of two (2) days of paid leave in the event of the death of an aunt, uncle or cousin. In special circumstances, where additional leave is necessary, a request may be made to the Town Manager. Granting additional paid bereavement leave will be done solely at the discretion of the Town Manager.

DEPENDENT CARE LEAVE

During any given year, an employee may use up to 33% of their sick leave bank; up to a maximum of three (3) weeks per year, as dependent care leave to care for a sick spouse, son, daughter, parent, or for a newly acquired infant. Any paid dependent care leave taken during the year counts towards the 12 weeks of family medical leave available under the FMLA. The Town may request physician certification of the illness prior to approving any payroll that includes dependent care leave.

JURY DUTY

The Town has a policy of allowing employees to serve their communities by participating in jury duty in accordance with state law. To encourage this participation, the Town provides protection against loss of income during required jury duty service. All employees will be granted the necessary time off to fulfill their duty. You will be paid your regular wage/salary during the period required for such service, less any stipend paid to you for serving jury duty. Upon return from duty, you must give both the service receipt and check provided by the court to your department head. If an employee is released early from Jury Duty on any given day and can work at least four hours, s/he must return to work.

MATERNITY/ADOPTIVE LEAVE

M.G.L. 149:1059 provides full and part-time female employees eight (8) weeks of unpaid leave following the acquisition of a child by birth or adoption. The Town offers employees who are out on Maternity/Adoptive Leave the option to take accrued sick and vacation days during this period. To be eligible for Adoptive Leave, the child must be under three (3) years of age. Maternity/Adoptive Leave taken during the year counts towards the twelve (12) weeks available under the FMLA.

NATIONAL GUARD/RESERVE DUTY

You will be granted paid leave of absence to participate in an annual tour of military duty. The Town will compensate you for the difference between your military pay and the amount you would have received had you not been on leave.

OTHER FORMS OF LEAVE

After satisfying the six-month introductory period, town employees may be granted a leave of absence up to three (3) months. Requests for leaves of absence will always be at the Town Manager's sole discretion, however requests for a leave of two weeks or less may be approved by the department head. All requests for a leave of absence must be made in writing.

You must return from your leave at the designated date in order to be guaranteed a position in the same classification. You will receive credit for length of service if you return to work when your leave is over. You are not eligible for, nor do you accrue, other benefits while on leave. You may, however, continue your health insurance coverage through the Town by paying the full monthly premium.

PERSONAL LEAVE

You may have three (3) days of paid leave per calendar year to conduct personal business. This leave is granted at the discretion of individual department heads. Personal leave does not accumulate from year-to-year. It cannot be taken as compensation upon termination of employment.

FAMILY MEDICAL LEAVE ACT OF 1993

FAMILY MEDICAL LEAVE

The Family Medical Leave Act of 1993 requires employers to provide up to twelve (12) weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons. Unpaid leave must be granted for any of the following reasons: to care for your spouse, son or daughter, or parent, who has a serious health condition; to care for a son or daughter within one year of birth, adoption or the initiation of foster care; or if you have a serious health condition that makes you unable to perform your job. Any leave granted counts towards the twelve (12) weeks of FMLA leave.

You may be required to provide advance leave notice and medical certification. Taking of leave may be delayed if requirements are not met. You must ordinarily provide thirty (30) days advance notice except when the leave is "unforeseeable". The Town may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the Town's expense). In the event that it is the employee who is suffering from a serious health condition a fitness for duty report may be required to return to work.

During any FMLA leave, you can maintain your health coverage under any "group health plan" by paying your portion of the full monthly premium, while the town continues to pay its portion of the premium. Except in certain circumstances the town will seek recovery of the premium paid if you do not return to work upon completion of the leave of absence. Upon return from FMLA leave, most employees must be restored to their original or equivalent position with equivalent pay, benefits and other employment terms. There are exceptions, and you should contact the Town Manager's Office to discuss this. The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

For further information about FMLA, contact the Town Manager. The Town FMLA policy can be found in the Personnel Policies.

SICK LEAVE

SICK LEAVE

Paid sick leave is a benefit you receive that protects you financially against a serious illness or an injury that is not job related.

Regular full-time employees earn 1 1/4 days of sick leave for each calendar month worked, up to a total of fifteen (15) working days each year. Unused sick leave accumulates from year to year to a maximum of 150 days. Sick leave compensation is paid only when you are ill and unable to perform your job or you are utilizing accrued sick leave for qualifying circumstances to care for a dependent. (See Dependent Care Leave). It cannot be taken as compensation when terminating from the Town's employment. If requested, you must provide medical substantiation of disability to your department head or the Town Manager. Employee use of sick leave, not related to a qualifying serious health condition under the Family/Medical Leave Act of 1993, is reviewed as part of the evaluation process. Sick leave use is also taken into consideration for pay increases and promotions.

New employees must complete an introductory period before qualifying for sick leave. At the end of this period, which is a minimum of six months, the new employee will be credited 7 1/2 sick days. Regular part-time qualified employees are allowed sick leave on a basis prorated against a thirty-five 35 hour work week.

If you work in the Town Office Building you must notify your department head of your absence within a half hour of the opening of the building (8:00-8:30). In other Town departments, supervisors must be notified before the start of the working day.

The Town has established a sick leave donation plan to cover employees who have a serious medical condition that causes them to exhaust all available paid leave. For information on this program contact the Town Manager's Office.

MUNICIPAL RETIREMENT PLAN

The Town provides retirement benefits through the State plan that is administered by the Town

Retirement Board. Town employees who work twenty-four (24) hours or more per week become members upon commencement of employment. Every employee, who works eighteen (18) hours or more per week, must contribute a percentage of their regular compensation into the Town retirement system through pre-tax payroll deductions. The base percentage deducted for retirement differs by the year hired. Those employees earning in excess of \$30,000.00 must contribute an additional 2% on the regular compensation in excess of \$30,000.00. This money will be returned to you without interest if you terminate employment after working fewer than five (5) years with Winthrop or any other state/local agency. You will receive a refund with $\frac{1}{2}$ of the interest credited if you have between five (5) and ten (10) years of credited service. If you terminate employment after more than ten (10) years of credited service, you will be refunded the sum of your contribution plus all of the interest earned. Refunds are subject to a 20% Federal Tax withholding penalty unless the funds are transferred directly to an IRA (Internal Revenue Service Regulation). Requests for refunds must be made on the proper form available in the Retirement Office.

If you are not eligible to join the Town's retirement plan, you are required to enroll in the Town's COBRA Plan.

RETIREMENT ALLOWANCE

The amount of your retirement allowance will be determined by three (3) factors: age, years of credited service and average regular compensation for your three (3) highest consecutive years. You are eligible to retire at any age if you have twenty years of creditable service. If your employment began prior to January 1, 1978, upon becoming age 55 as a member-in-service, you may retire with any number of years of service - there are no minimum service requirements for members in this category. If you were initially employed on or after January 1, 1978, you must have at least ten (10) years of creditable service, and be age 55 or older to receive an allowance. If your public employment began on or after January 1, 1978, and you haven't completed ten (10) or more years of creditable service after attaining age 55, you will be eligible to receive a refund of your accumulated deductions upon the termination of your employment. You may not receive a retirement allowance.

See the Retirement Office with any questions regarding any retirement questions.

DEFERRED COMPENSATION

The purpose of the deferred compensation plan is to save additional money to supplement your retirement savings. This is accomplished by having money deducted from your paycheck on a pre-tax basis and this money is paid to you at the time of your retirement. This plan allows you to save funds and accumulate interest tax-free until your retirement when your income tax bracket is lower.

The Town provides employees who work twenty (20) hours or more per week with the opportunity to participate in the deferred compensation plan. You may set aside a portion of your income through regular payroll deductions in accordance with existing Internal Revenue Guidelines.

You have a choice of three (3) investment companies who will assist you in deciding on an appropriate investment strategy. The plans have a minimum required investment of \$300.00 per year and offer the opportunity to invest a maximum of \$14,000 per year or 25% of your gross income (whichever is lower). The amount you elect will be deducted in equal installments from your paycheck and you will receive an account statement from your investment company. Neither the principal invested, gains nor interest will be subject to Federal or State Income tax until it is distributed.

Payouts will be distributed upon your retirement, in a lump sum or according to a schedule selected by you. Before retirement, partial disbursement may be made only if you are faced with certain unforeseeable financial emergencies. Such early withdrawals may also result in substantial tax penalties. For more information about the deferred compensation plan, contact the Treasurer/Collector.

PAY DAY

Town employees are paid weekly until January 1, 2007 and bi-weekly thereafter (every other week) on a Tuesday. The Town offers direct deposit; see the Treasurer/Collector for proper authorization forms. Your department supervisor will pick up your check or advice of deposit. If you are unable to pick up your check in person, you may request in writing to have your check mailed to you.

HOW TO READ YOUR CHECK STUB

Most of your check stub is self-explanatory. You might, however, find it helpful to know the definitions of the following abbreviations:

| | |
|---------|---|
| FITW- | Federal Taxes |
| MA- | State Taxes |
| MED- | Medicare Taxes |
| CR- | Pension |
| DEF- | Deferred Compensation, ING, Nationwide, Pebsco, Valic |
| PLAN A- | Life Insurance or Annuity |
| UND- | Union Dues |
| GAW- | Garnishing of Wages |
| CRE- | Credit Union |
| DIR- | Direct Deposit Total |
| FSA- | Flexible Spending Medical Leave |
| FSAD- | Flexible Spending Dependant Care |
| CA- | Cancer Insurance |
| CRITC- | Critical Illness |
| STD- | Short Term Disability |

CAFETERIA PLAN

The Cafeteria plan allows eligible employees to have their health, dental and life insurance premium paid on a pre-tax basis.

The program also allows employees to set up Flexible Spending Accounts (FSA) to use pre-tax dollars to pay for up to \$5,000 for dependant care (child or elder) expenses, and up to \$5,000 for out-of-pocket medical expenses.

Employees with an FSA may request reimbursement twice a month. Each employee enrolling in an FSA will be given a claim kit containing forms and instructions. Call the Town Manager's Office for information or assistance during the plan year.

Fees for participating in the Cafeteria Plan Benefit Program are minimal, and will be deducted from your weekly/bi-weekly paycheck.

VACATIONS

The Town offers to all regular full-time and part-time employees a paid vacation based on the length of continuous full-time service with the Town:

| <u>Length of Service</u> | <u>Vacation</u> |
|--------------------------|-----------------|
| 6 months to 1 year | 5 Days |
| 1 to 5 years | 10 Days |
| 5 to 13 years | 15 Days |
| More than 13 years | 20 Days |
| More than 20 years | 25 Days |

Vacation time may not be accumulated from year to year, and a vacation must be taken in the calendar year in which it is earned. If an approved holiday falls within a scheduled vacation, a compensatory day will be scheduled at a mutually convenient time.

HOLIDAYS

To be eligible for holiday pay, you must work your scheduled working day directly preceding and following the holiday, unless the absence was previously approved. Regular part-time qualified and regular part-time employees limited will be compensated on a pro-rated basis.

The following thirteen (13) holidays are recognized by the Town:

| | |
|------------------------|------------------|
| New Year's Day | Flag Day |
| Martin Luther King Day | Independence Day |
| President's Day | Labor Day |
| Evacuation Day | Columbus Day |
| Patriot's Day | Veteran's Day |
| Memorial Day | Thanksgiving Day |
| | Christmas Day |

The Town celebrates holidays on the date designated by the State, which is confirmed in a memo to all departments at the beginning of each year. The Town reserves the right to schedule employees to work on these holidays in order to maintain essential services. One half holiday will be celebrated on Good Friday and the regular work day before Christmas.

EDUCATIONAL AND TRAINING OPPORTUNITIES

You are encouraged to broaden your educational background in order to improve your job skills and opportunities for growth. All regular employees who have completed an introductory period are eligible to request partial reimbursement of appropriate tuition and related costs.

Courses must be approved in advance by the Town Manager. Priority will be given to requests for courses that are part of a planned degree or certificate program and are applicable to the duties of your job, or duties that you anticipate performing as a Winthrop employee.

Supporting your efforts to strengthen your professional skills is a priority for the Town organization. Every effort will be made to provide financial support for reasonable requests, however, all requests are subject to available funding and the discretion of the Town Manager. Employees approved for tuition reimbursement may receive up to 75% of the full tuition cost upon completion of the course with a grade of a B or better. The Town Manager may elect to set a cap on the total dollar amount of a reimbursement for an individual course.

Attendance at conferences and seminars does not necessarily include meals. The Town will reimburse an employee a maximum of \$35.00 per day for meals. In order to be eligible for reimbursement an employee must either provide receipts for meals for which they were responsible or seek reimbursement on a per diem basis. In submitting a request for reimbursement attach receipts or documentation that the meals were not included in the registration. Reimbursement is limited to \$7.00 for breakfast, \$8.00 for lunch and \$20.00 for dinner per day. Written requests for reimbursement with receipts and documentation that meals are not included in registration attached, should be included with a standard Expense Report, available from the Accountant's Office.

COMPENSATION FOR LAST YEAR OF SERVICE

Any non-union employee not covered by a union contract, if retiring after having been in continuous employment for at least twenty (20) years, is entitled to buy back up to 150 days of accrued sick time at a rate of \$22 per day.

LONGEVITY BENEFITS

Full time employees who have worked continuously for the Town for five years or more shall receive an increase in compensation as follows:

| Years of Service as of July 1 | Amount of Increase |
|--------------------------------------|---------------------------|
| At least 5 | \$225 |
| At least 10 and not more than 14 | \$400 |
| At least 15 and not more than 19 | \$450 |

At least 20 and not more than 29
At least 30

\$500
\$550