



Town and Village Government

# **TOWN OF RHINEBECK COMPENSATION AND BENEFITS MANUAL**

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**Amended January 22, 2018 (Resolution 2018050)**

**Amended January 2, 2019 (Resolution 2019033)**

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## **PART 1 INTRODUCTION**

### **1.1 General Purpose of Manual**

**1.1.1 Statement of Purpose:** The purpose of this Compensation and Benefits Manual is to communicate important information about specific employment policies and practices of the Town of Rhinebeck - particularly those that pertain to compensation, leave benefits, and medical insurance benefits.

**1.1.2 Collective Bargaining Agreements:** This Compensation and Benefits Manual **does not apply** to an employee covered by a collective bargaining agreement with the Town of Rhinebeck.

**1.1.3 Previous Manuals:** This Compensation and Benefits Manual replaces any previous manual issued by the Town of Rhinebeck concerning the policies and practices contained within this manual.

**1.1.4 Questions:** Questions regarding this manual should be presented to the Town Supervisor. Any questions requiring interpretation of this Compensation and Benefits Manual will be referred to the Town Board.

### **1.2 Compensation and Benefits Manual Disclaimers**

**1.2.1 Employment Contract:** This Compensation and Benefits Manual is not a contract of employment, expressed or implied, and should not be construed as such.

**1.2.2 Policy Exceptions:** This Compensation and Benefits Manual should not be interpreted as a guarantee that the policies and practices in it will be applied in all cases. Further, the Town Board may at its sole discretion, make exceptions to any part of this Compensation and Benefits Manual.

**1.2.3 Governmental Regulations:** In the event a federal or state statute, rule, or regulation conflict with any provision contained in this Compensation and Benefits Manual, then such statute, rule, or regulation will prevail.

## 1.3 Definitions

**1.3.1 Department Head:** For purposes of this Compensation and Benefits Manual, “Department Head” means either the Town Supervisor, Superintendent of Highways, Town Justices, Town Clerk, as the case may be.

[Section 1.3.1 5.1.7 Amended on January 22, 2018 by Resolution 2018050]

**1.3.2 Supervisory Employee:** For the purposes of this Compensation and Benefits Manual, “supervisor” will mean the individual so designated by the Department Head to direct and inspect the performance of employees.

**1.3.3 Full-Time Employee:** For purposes of this Compensation and Benefits Manual, the term “full-time employee” will mean an employee who is regularly scheduled to work a **minimum of thirty-five hours** per week throughout the year; or who is *regularly scheduled* to work at least a total of 1820 hours per year.

**1.3.4 Part-Time Employee:** For purposes of this Compensation and Benefits Manual, the term “part-time employee” will mean an employee who is regularly scheduled to work **less than thirty-five hours** per week throughout the year; or who is *regularly scheduled* to work less than a total of 1820 hours per year.

## **PART 2 COMPENSATION**

### **2.1 Rates of Pay**

**2.1.1 Rate of Pay:** An employee's rate of pay will be established by the Town Board.

### **2.2 Overtime**

**2.2.1 Summary:** The Fair Labor Standards Act (FLSA) establishes overtime pay and record keeping standards. More information on the Fair Labor Standards Act may be found on the US Department of Labor website:

<http://www.dol.gov/whd/flsa/index.htm>

**2.2.2 Overtime Compensation:** In accordance with the Fair Labor Standards Act, non-covered and exempt employees will not be paid for overtime nor receive "compensatory time" for any hours worked in excess of the employee's normal workday or workweek.

**The following titles are "exempt": Office Manager; Town Clerk.**

A non-exempt employee is not permitted to work more than forty hours in the established seven-day workweek (Saturday through Friday) without the expressed written authorization from the Town Supervisor.

**2.2.3 Flex-Time:** An "non-exempt" employee who would work more than forty hours in a given workweek **must** take an equal amount of time off in that same workweek rather than receiving overtime compensation. The time off must be approved by the appropriate Department Head.

**2.2.4 Credit for Paid Leave:** Personal leave, vacation leave, and holidays will be included as time worked for the purpose of computing overtime. Sick leave, bereavement leave, jury duty leave, and all military leave will not be included as time worked for the purpose of computing overtime.

## **2.3 Pay Period and Check Distribution**

**2.3.1 Payroll Period:** The payroll period will begin Saturday at 12:00:01 a.m. and end fourteen calendar days later on Friday at 11:59:59 p.m.

FLSA-non-exempt employee's pay is based on the amount earned during the preceding payroll period.

FLSA-exempt employees are paid bi-monthly (24 pays per year).

**2.3.2 Payday:** Pay will be issued on the Friday following the end of the bi-weekly payroll period. In the event the payday is a designated holiday, paychecks will be distributed on the previous workday.

**2.3.3 Authorized Check Release:** The Town will not release a paycheck to anyone other than the employee unless the employee has submitted a signed, written authorization with the Office Manager.

## PART 3 PAID LEAVE

### 3.1 Vacation Leave

**3.1.1 Allowance (monthly accrual):** A full-time employee will be credited with paid vacation leave on a monthly basis starting from the date of hire in accordance with the following schedule.

A part-time employee will be credited with paid vacation leave on a monthly basis starting from the date of hire in accordance with the vacation schedule below, prorated by the number of hours the employee is scheduled to work each week.

A temporary or seasonal employee is not eligible for paid vacation leave but may be allowed to take time-off without pay provided the employee has prior approval from the appropriate Department Head.

	CREDITS PER MONTH 35-hour week	CREDITS PER MONTH 40-hour week
Upon hire full-time	5.83 hours (equals 70 hours/year)	6.67 hours (equals 80 hours/year)
Upon hire part-time	2.92 hours (equals 35 hours/year)	3.33 equals (40 hours/year)
Upon start of third year of continuous part-time employment*	5.83 hours (equals 70 hours/year)	6.67 hours (equals 80 hours/year)
Upon start of ninth year of continuous full-time employment	8.75 hours (equals 105 hours/year)	10.00 hours (equals 120 hours/year)
Upon start of thirteenth year of continuous full-time employment	11.67 hours (equals 140 hours/year)	13.33 hours (equals 160 hours/year)

For example, a 35-hour employee who has completed eight years of continuous full-time employment on February 26<sup>th</sup> will see an increase in the number of hours credited from 5.83 hours per month to 8.75 hours per month on March 1<sup>st</sup>; similarly, a 40-hour employee who has completed twelve years of continuous full-time employment on September 5<sup>th</sup> will see an increase from 10 hours per month to 13.33 hours per month on October 1<sup>st</sup>.

\* Continuous years of employment for a part-time employee who is promoted to a full-time position will be prorated. For example, a part-time employee who has worked 5,200 hours of prior part-time employment will be credited with 2.5 years of full-time service ( $5200 \div 2080 = 2.5$ ).

[Section 3.1.1 Amended on January 2, 2019 by Resolution 2019033.]

**3.1.2 New Employees:** A newly hired employee may not use accumulated vacation leave credits until completion of six months of continuous employment.

**3.1.3 Accrual During Leaves of Absence:** An employee will be credited with vacation leave credits while on a paid leave of absence, but not while on an unpaid leave of absence for an entire month or more.

**3.1.4 Accumulation:** A 35-hour employee may accumulate vacation leave credits up to a maximum of one-hundred and forty hours. A 40-hour employee may accumulate vacation leave credits to a maximum of one-hundred and sixty hours. Any vacation credits in excess of the maximum will be cancelled. However, in the event an employee is unable to take vacation leave due to no fault of the employee, the employee may “carry” the excess for ninety calendar days.

**3.1.5 Scheduling:** An employee must receive prior approval from the appropriate Department Head to take vacation leave. In the event more employees request vacation leave than minimum coverage permits, preference in the selection of a vacation period shall be given to the employee with the most service seniority. Vacation time must be taken in half-day increments. An employee may take vacation leave only after it has been credited.

**3.1.6 Termination of Employment:** An employee who resigns, retires or is laid off will receive cash payment for unused vacation leave to which the employee is properly entitled at the employee's then current rate of pay. To be eligible to receive this payment, an employee who is to resign or retire must give written notice at least two weeks in advance of the last day of employment. In the event an employee leaves employment due to disciplinary action, the employee will not receive a settlement for unused vacation leave. In cases of death of an employee, the Town will pay an employee's designated beneficiary for any unused vacation leave.



## 3.2 Holidays

**3.2.1 Designated Holidays:** The following holidays will be observed on the day designated by the Town Board at its organizational meeting in January of each year.

New Years Day	Indigenous Peoples Day
Martin Luther King, Jr Day	Veterans Day
Presidents Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Eve (3 hours)*
Labor Day	Christmas Day

Town Hall will close at 1:00 p.m. on the **Wednesday before Thanksgiving**, for which the remainder of the work day will be considered as a holiday. [*Amended 1/2/19*]

The three hours for **Christmas Eve** will be observed only if such day falls on Monday through Friday, inclusive.

In the event a designated holiday occurs on a Saturday, the holiday will be observed on the preceding Friday. In the event a designated holiday occurs on a Sunday, the holiday will be observed on the following Monday.

[Section 3.2.1 Amended on January 2, 2019 by Resolution 2019033.]

**3.2.2 Floating Holiday:** In addition to the designated holidays listed above, a full-time employee will be credited with one floating holiday on January 1<sup>st</sup> of each year. The employee must receive prior approval from the appropriate Department Head to take a floating holiday. Floating holidays must be used in whole-day increments. An employee may not accumulate floating holidays. Any floating holidays remaining unused at close of business on the last day of the calendar year will be canceled.

**3.2.3 Holiday Pay:** A full-time employee who **does not** work on a day designated as a holiday will be paid for the day at the employee's regular daily rate of pay.

A part-time employee is only eligible for the following six holidays and will be paid an amount equal to the employee's normally scheduled workday: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving; and, Christmas Day.

A temporary or seasonal employee is not eligible for holiday pay.

**3.2.4 Assigned to Work on a Holiday:** A full-time FLSA non-exempt employee who is required to work on a designated holiday will receive holiday pay plus wages at one and one-half times the employee's regular rate of pay. A part-time, temporary, seasonal employee who works on a designated holiday will be paid at the employee's regular rate of pay.

**3.2.5 Holiday During Scheduled Leave:** In the event a designated holiday occurs on an employee's normal workday and the employee is on paid vacation leave, paid sick leave, or paid bereavement leave, the employee will only receive holiday pay for the day and the employee's other leave will not be charged.

### **3.3 Sick Leave**

**3.3.1 Allowance (monthly accrual):** A full-time employee will be credited with the hourly equivalent of one day of paid sick leave (7 or 8 hours, as the case may be) after completion of each month of employment.

A part-time, temporary, or seasonal employee is not eligible for paid sick leave but may be allowed a reasonable amount of time off without pay for reasons listed in 3.3.5 and 3.3.6 below.

**3.3.2 New Employees:** A new employee may not use accumulated sick leave credits until completion of three months of continuous service. During the first three months of employment, any sick leave will be without pay.

**3.3.3 Accrual During Leaves of Absence:** An employee will be credited with sick leave credits while on a paid leave of absence, but not while on an unpaid leave of absence for an entire month or more.

**3.3.4 Accumulation:** There is **no maximum** accumulation of sick leave credits.

**3.3.5 Use of Sick Leave:** Sick leave is provided to protect an employee against financial loss during an illness or injury and not a leave benefit to which the employee is automatically entitled. An employee may use sick leave credits for an illness or injury that inhibits the ability to perform the duties of the employee's job. An employee may use sick leave credits for medical and dental appointments that cannot be scheduled during non-work hours. Sick leave may not be used to extend a vacation.

In certain cases when an employee has frequent medical or dental appointments over a given period of time, the employee is to make reasonable efforts to schedule such appointments before or after the employee's regular hours of work. When possible, an employee may make arrangements with the appropriate Department Head (as defined in the employment manuals) to alter the regular hours of work. For example, a regular work day of 9:00 to 4:00 might be altered for a given day to be 9:30 to 4:30.

An employee may take paid sick leave only after it has been credited. Sick leave may not be used in increments of less than one hour. For example if an employee leaves work 1.5 hours early, such employee will be paid for 1.5 hours and the employee's sick leave credits will be reduced by 2 hours. However, if an employee leaves work 45 minutes early, such employee will be paid for the 45 minutes but the employee's sick leave credits will be reduced by 1 hour.

[Section 3.3.5 Amended on January 2, 2019 by Resolution 2019033.]

**3.3.6 Family Sick Leave:** An employee may use accumulated sick leave credits for family illness or injury only if the employee must provide direct care to an immediate family member. For purposes of family sick leave, "immediate family member" will mean, without exception, the employee's parent, spouse, or child, including step-child and foster child.

**3.3.7 Notification of Sick Leave:** In the event an employee must take sick leave, the employee must notify the appropriate Department Head *as soon as possible* before the employee's scheduled reporting time. The notification must be made personally to the Department Head, unless the Department Head authorizes the use of an answering device for this purpose. Unless an extended sick leave absence has been authorized, the employee must notify the Department Head **each** day of the absence. Failure to give this notice will render the employee ineligible to use sick leave credits for the absence.

**3.3.8 Medical Verification:** The Town may require medical verification of an employee's absence if the Town perceives the employee is abusing sick leave or has used an excessive amount of sick leave. The Town may require medical verification of an employee's absence to verify that the employee is able to return to work with or without restrictions.

**3.3.9 Abuse of Sick Leave:** An employee who, after investigation, is found to have demonstrated a pattern of sick leave abuse or to have used an excessive amount of sick leave or to have submitted false documentation will be subject to appropriate disciplinary action.

**3.3.10 Retirement Credit:** The Town will make available Section 41-j of the Retirement and Social Security Law, which allows credit for accumulated sick leave at the time of retirement. More information on 41-j may be found on the Office of the State Comptroller website:

[http://www.osc.state.ny.us/retire/publications/vo1522/service\\_credit/sick\\_leave.php](http://www.osc.state.ny.us/retire/publications/vo1522/service_credit/sick_leave.php)

**3.3.11 Termination of Employment:** An employee who resigns, retires, is laid off, or is terminated from employment due to disciplinary action will not receive payment for unused sick leave credits. In the event an employee is laid off, any unused sick leave credits will be reaccredited if the employee is recalled within two years.

### **3.4 Personal Leave**

**3.4.1 Allowance (front-loaded):** A full-time employee will be credited with the hourly equivalent of three days of paid personal leave on the first day of January of each year for use during that year.

A part-time, temporary, or seasonal employee is not eligible for paid personal leave but may be allowed to take time-off without pay provided such employee has prior approval from the appropriate Department Head.

**3.4.2 New Employees:** An employee who is hired after the first day of January in any given year will be credited with paid personal leave prorated by the number of months to be worked in the first calendar year of employment. Thereafter, the employee will be credited on the first day of January for use during that year.

**3.4.3 Accumulation:** An employee may not accumulate personal leave credits. Any personal leave credits remaining unused at close of business on the last day of the calendar year will be converted to sick leave credits.

**3.4.4 Use of Personal Leave:** An employee may use personal leave credits to conduct personal business that cannot be conducted outside of normal working hours and for personal emergencies. Personal leave may not be used in increments of less than one hour. For example if an employee leaves work 1.5 hours early, such will be paid for 1.5 hours and the employee's personal leave credits will be reduced by 2 hours. Further, if an employee leaves work 45 minutes early, such employee will be paid for the 45 minutes but the employee's personal leave credits will be reduced by 1 hour.

An employee may take paid personal leave only after it has been credited. An employee must receive prior approval from the appropriate Department Head or supervisor to take personal leave. The Department Head or supervisor will have total discretion in the approval of personal leave.

**3.4.5 Termination of Employment:** An employee who resigns, retires, is laid off, or is terminated from employment due to disciplinary action will not receive payment for unused personal leave.

### **3.5 Bereavement Leave**

**3.5.1 Immediate Family:** In the event of a death of a full-time employee's immediate family member, the employee may take a leave of absence without loss of pay or leave credits for up to three scheduled workdays commencing the date of death until the day after the burial or memorial service. The employee must have completed six months of continuous employment to be eligible for this benefit.

For purposes of bereavement leave, "immediate family member", without exception, is defined as an employee's spouse or domestic partner, child (including step or foster), parent or legal guardian, sibling, grandparent, grandchild, spouse's parents, child's spouse.

**3.5.2 Additional Bereavement Leave:** An employee may receive an unpaid leave of absence or use vacation leave credits and/or personal leave credits to extend bereavement leave due to the death of an "immediate family member". The request must be made to the appropriate Department Head. The Department Head shall have total discretion in the approval of such additional unpaid bereavement leave.

**3.5.3 Part-time, Temporary, or Seasonal Employees:** A part-time, temporary, or seasonal employee is not eligible for paid bereavement leave but may be allowed to take time-off without pay provided the employee has prior approval from the appropriate Department Head or supervisor.

## **PART 4    DISABLED EMPLOYEES**

### **4.1    Workers' Compensation**

**4.1.1    Coverage:** In accordance with New York State law, the Town will make available a Workers' Compensation plan for job-related injuries or illnesses.

**4.1.2    Reporting of Injury:** To ensure prompt coverage of the claim, the employee should submit a report of the injury or illness to the Town Clerk on the proper form within twenty-four hours of the occurrence. The Town Clerk, or designee, will complete and submit the required forms.

**4.1.3    Use of Leave Credits:** An employee may draw from the employee's sick leave credits, then personal leave credits, and then vacation leave credits in conjunction with Workers' Compensation payments to equal, but not exceed, the employee's regular daily rate of pay. When the insurance company makes payment, the Town shall be reimbursed for that portion of leave covered by insurance and the employee will be re-credited with the proportional amount of leave.

**4.1.4    Continuation of Medical Insurance:** The Town will continue medical insurance coverage for a qualifying event in accordance with the provisions of the Town's Family and Medical Leave Policy. Thereafter, an employee who is receiving Workers' Compensation payments for lost time **AND** is drawing full pay by using accrued leave credits will continue to receive medical insurance benefits and the Town will continue to make its contributions for up to a maximum of one year provided the employee makes the required employee contribution. If the employee has exhausted all leave credits, the employee may continue medical insurance coverage in accordance with federal and state laws.

### **4.2    Short-Term Disability**

**4.2.1    Continuation of Medical Insurance:** The Town will continue medical insurance coverage for a qualifying event in accordance with the provisions of the Town's Family and Medical Leave Policy. Thereafter, an employee who is drawing full pay by using accrued leave credits will continue to receive medical insurance benefits and the Town will continue to make its contributions for up to a maximum of one year provided the employee makes the required employee contribution. If the employee has exhausted all leave credits, the employee may continue to be eligible for medical insurance coverage in accordance with federal and state laws.

## **PART 5 MEDICAL – DENTAL - VISION**

### **5.1 Medical Insurance**

**5.1.1 Eligibility:** The Town makes available a medical insurance plan and a prescription drug plan to each full-time employee and the employee's eligible family (including "domestic partner") and to the Town Supervisor and the Superintendent of Highways and such elected official's eligible family members.

A dependent child over the age of twenty-two may enroll in the plan with the employee paying all of the additional costs of the premium and the "high deductible".

Non-benefit employees and other elected officials may enroll in the medical insurance plan and prescription drug plan provided the employee or elected official pay the full costs including premiums and deductibles.

In no event shall the Town be required or obligated to pay or reimburse any portion of any doctor's bill, hospital bill, prescription bill, x-ray bill, laboratory bill, procedure bill, or any other medical bill or expense that is not covered or reimbursed by the insurance plan.

**5.1.2 Date Coverage Begins:** Coverage will begin on the employee's first day of employment or for the Town Supervisor and Highway Superintendent, the first day of office, provided all eligibility requirements of the insurance plan are met and the insurance application has been completed.

**5.1.3 Change in Insurance Plans:** The Town Board may, at its sole discretion, change the medical insurance plan and/or prescription drug plan at any time, including, but not limited to: plan carrier; plan design; co-payments and deductibles; and, eligibility.

**5.1.4 Premium Payment (hired before September 1, 2004):** Effective January 1, 2016, the Town will pay **95%** of the monthly premium for individual coverage, two-person coverage, or family coverage, as the case may be. The employee's contribution of **5%** will be deducted from the employee's regular paycheck. The employee may elect to have such deduction made on a pre-tax basis.

**5.1.5 Premium Payment (hired after September 1, 2004 but before January 1, 2013):** The Town will pay **90%** of the monthly premium for individual coverage, two-person coverage, or family coverage, as the case may be. The employee's contribution of **10%** will be deducted from the employee's regular paycheck. The employee may elect to have such deduction made on a pre-tax basis.

**5.1.6 Premium Payment (hired after January 1, 2013 but before January 1, 2018):** The Town will pay **87.5%** of the monthly premium for individual coverage, two-person coverage, or family coverage, as the case may be. The employee's contribution of **12.5%** will be deducted from the employee's regular paycheck. The employee may elect to have such deduction made on a pre-tax basis.

**5.1.7 Premium Payment (hired on or after January 1, 2018):** The Town will pay **80%** of the monthly premium for individual coverage, two-person coverage, or family coverage, as the case may be. The employee's contribution of **20%** will be deducted from the employee's regular paycheck. The employee may elect to have such deduction made on a pre-tax basis.



[Section 5.1.7 Amended on January 22, 2018 by Resolution 2018050]

**5.1.8 Changes in Premium Contributions:** The Town Board may, at its sole discretion, change the amount of the insurance premium and/or deductible an employee or Elected Official is required to contribute.

## 5.2 Medical Insurance Buy-Out

**5.2.1 Eligibility:** A full-time employee who is eligible for medical insurance coverage made available through the Town may receive a cash buy-out in lieu of receiving medical insurance and prescription drug benefits. To be eligible for the medical insurance buy-out, the employee must provide documentation of comparable medical insurance coverage in a manner and form to be determined by the Town and sign an appropriate waiver of medical insurance coverage and waiver of liability to the Town. In the event an employee is married to another employee or Elected Official of the Town who is eligible for medical insurance, they must either enroll in two individual plans or one two-person or family plan, as the case may be, and will not be eligible for this buy-out.

Elected Officials are not eligible for the buy-out.

**5.2.2 Amount of Buy-Out:** Each year, an eligible employee will receive an amount equal to the annual premium co-payment for the alternate medical insurance plan (excluding dental and vision) multiplied by 1.32 plus one thousand dollars.

For example, if the annual premium co-pay for the alternate plan is \$2800, the amount of the buy-out would be  $\$2800 \times 1.32 = \$3696 + \$1000 = \$4696$ . The buy-out is subject to applicable taxes.

For another example, if there is no annual premium co-pay for the alternate plan, the amount of the buy-out would be  $\$0 \times 1.32 = \$0 + \$1000 = \$1000$ . The buy-out is subject to applicable taxes.

**5.2.3 Method of Payment:** Partial payment of the buy-out will be made in the employee's regular paycheck for each pay period the employee is eligible to receive the buy-out.

**5.2.4 Reinstatement:** In the event the employee loses coverage under the alternate insurance plan, the employee may resume coverage under the medical insurance plan made available through the Town. Coverage will begin on the first of the month immediately following the employee giving notice, provided the employee gives such notice at least five business days prior to the first of the month and meets all eligibility requirements of the insurance plan. An employee may also elect to resume coverage under the medical insurance plan during the annual open enrollment period.

## 5.3 Continuation of Medical Insurance Benefits (COBRA)

**5.3.1 Summary:** The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of medical insurance coverage at their own expense at group rates. This coverage, however, is only available when coverage is lost due to certain specific events.

More information may be found on the US Department of Labor website:

<http://www.dol.gov/ebsa/COBRA.html>

## **PART 6 RETIREMENT BENEFITS**

### **6.1 New York State Employees' Retirement System**

**6.1.1 Summary:** The Town participates in the New York State Employees' Retirement System. Information pertaining to the retirement plans, including mandatory membership and optional membership, may be accessed through the following website:

<http://www.osc.state.ny.us/retire/members/index.htm>

### **6.2 Medical Insurance for Retirees**

**6.2.1 Eligibility:** To be eligible for coverage, the retiree must meet all of these requirements: 1) have at least **twenty** years of continuous service as a full-time, medical-benefit-eligible employee with the Town; 2) be at least **sixty-two** years of age - unless the retiree has at least **thirty** years of continuous service in which case the age requirement is at least **fifty-five** years; 3) retire directly from the Town; and, 4) be drawing a pension from the New York State Employees' Retirement System.

Elected Officials are not eligible for post-employment medical insurance benefits.

The Town Board may, at any time and at its sole discretion, change the age and service eligibility requirements.

**6.2.2 Coverage (retiree's spouse):** Except as set forth below and in 6.2.5 and 6.2.6, coverage is also available for the retiree's eligible spouse if: 1) the spouse was eligible for coverage under the Town's medical insurance plan on the retiree's last date of employment with the Town; and, 2) the spouse is not eligible to receive comparable medical insurance coverage under another plan. In the event the retiree predeceases the retiree's eligible spouse, the spouse may continue medical insurance and prescription drug coverage provided the spouse pays the full cost of the plan. In the event of legal separation or divorce, the retiree's spouse shall not be eligible for coverage except as provided under state and federal laws.

**6.2.3 Insurance Plan:** The Town will make available the same medical insurance plan and prescription drug plan as is available for active employees.

When the retiree or the retiree's eligible spouse, if covered, as the case may be, meets the eligibility criteria for Medicare coverage, primary coverage will be provided by Medicare. At that time, the retiree and/or eligible spouse may be required to enroll in a Medicare supplemental policy made available through the Town.

The Town Board may, at any time and at its sole discretion, change the medical insurance or prescription drug plan, including, but not limited to, co-payments, plan design, and carrier.

**6.2.4 Premiums (retired before January 1, 2017):** For employees who **retired before January 1, 2017**, the Town will pay the full monthly premium of the medical insurance and prescription drug plan for the retiree and the retiree’s spouse. The Town will reimburse an eligible retiree and the retiree’s spouse, if covered, for the cost of the Medicare Part B premium.

**6.2.5 Premiums (hired before January 1, 2003):** For employees who were **hired before January 1, 2003** and **retire after January 1, 2017**, the Town will pay the full monthly premium of the medical insurance and prescription drug plan for the retiree only. The Town will reimburse an eligible retiree only for the cost of the Medicare Part B premium.

**6.2.6 Premiums (hired after January 1, 2003):** For employees who were **hired after January 1, 2003**, the Town will establish a ledger account based on the total number of hours worked in **full-time status** for the Town. The Town will pay the monthly premium of the medical insurance and prescription drug plan for the retiree only up to amount in the account. The retiree may use the ledger account for reimbursement of the cost of the Medicare Part B premium.

The amount of a given retiree’s account is based on two dollars multiplied times 2080 hours (40-hour work week) or 1840 hours (35-hour workweek) multiplied times the total years of full-time, medical-benefit-eligible service (rounded down to the lower whole number). For example, an employee who was employed in a 35-hour, full-time medical-benefit-eligible position for 23 years and four months would be allowed \$84,640.

Years of Service	40-hour Workweek	35-hour Workweek
20	\$83,200	\$73,600
21	\$87,360	\$77,280
22	\$91,520	\$80,960
23	\$95,680	\$84,640
24	\$99,840	\$88,320
25	\$104,000	\$92,000
26	\$108,160	\$95,680
27	\$112,320	\$99,360
28	\$116,480	\$103,040
29	\$120,640	\$106,720
30	\$124,800	\$110,400
31	\$128,960	\$114,080
32	\$133,120	\$117,760
33	\$137,280	\$121,440
34	\$141,440	\$125,120
35	\$145,600	\$128,800

When the retiree’s account is depleted, the Town will discontinue any payments toward the medical insurance premium.

Should the retiree decease before the account is depleted, the account will be cancelled.

Notwithstanding the above, the Town Board may, at any time and at its sole discretion, change the amount the Town will pay toward the cost of the medical insurance premium and/or prescription drug plan premium.

**TOWN OF RHINEBECK**  
**COMPENSATION AND BENEFITS MANUAL**  
**ACKNOWLEDGMENT**

I hereby acknowledge that I have received a copy of the Town of Rhinebeck Compensation and Benefits Manual which communicates important information about the Town's employment policies and practices. I further acknowledge that I have read, or will read, the contents of the Compensation and Benefits Manual and will contact the Town Supervisor if I have any questions.

I understand that the Compensation and Benefits Manual does not create a contract of employment. I understand that the Town Board retains the right to interpret any part of the Compensation and Benefits Manual and to amend or eliminate any part of the manual.

I agree to abide by the personnel policies, procedures, rules and regulations communicated in the Compensation and Benefits Manual.

I understand that the Compensation and Benefits Manual replaces any previous manual issued by the Town concerning the policies and practices contained within the Compensation and Benefits Manual.

\_\_\_\_\_  
Employee name (please print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date of Signature