

Town of Salem
Guide to Employee Benefits for Non-Affiliated Employees
Effective March 1, 2023

Modified by the Board of Selectmen on January 5, 2015, February 6, 2023.

Many Town employees are members of unions and are subject to Collective Bargaining Agreements (CBAs). This Guide pertains to non-affiliated employees and to employees with individual contracts and is to be read in conjunction with the Town’s Personnel Manual. *To the extent the terms of an employee’s individual contract differ from the benefits detailed in this Guide, the contract terms will govern.*

Periodically, the Town will review existing benefits and may change plans as permitted by the terms of each benefit plan contract.

If you have questions or require detailed information about these benefits, please contact the Human Resource office.

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DEFINITIONS

Full-time Regular Employee shall mean an employee who works thirty-five (35) or more hours per week for twelve (12) or more consecutive calendar months in any job classification established by the Town as a regular non-affiliated position.

Part-time Regular Employee shall mean an employee who works less than thirty-five (35) hours per week and who is retained to work twelve or more consecutive calendar months in any job classification by the Town as a regular non-affiliated position.

Probationary Period shall mean the initial evaluation period of twelve working months following initial hire, promotion, or transfer, during which an employee must demonstrate conduct and actual performance for the position to which they have been appointed.

INSURANCE

HEALTH INSURANCE

Full-time regular employees are offered coverage in a comprehensive group insurance health plan which becomes effective on the first day of the month following completion of one month of continuous employment. The Town contributes 91% of the premium cost of the High Deductible Health Savings Account Plan (HDHSA). Employees enrolling in the HDHSA Plan will receive an annual contribution of \$1,875 (single) or \$3,750 (2-person or family) on January 1 or their date of enrollment. Employees enrolling in the Health Savings Account (HSA) plan for a partial calendar year may receive a pro-rated HSA contribution if the IRS-allowed maximum would be exceeded by the contribution.

Detailed Schedules of Benefits of the plans are available in the Human Resources Department During new hire orientation and/or annual open enrollment.

The Town expressly reserves the right to change the health insurance carrier or available plans at its discretion.

Upon termination, the employee's coverage will terminate at the end of the month in which the termination occurs. Employees will, in most cases, have the option to continue coverage at their own expense, consistent with Federal and State law (COBRA).

MEDICAL OPT-OUT INCENTIVE

Full-time regular employees who can demonstrate that they are covered by a comprehensive health plan, other than one sponsored by the Town, may decline to participate in the Town's health plan. Employees declining health insurance coverage will be paid \$5,000.00 annually, on a pro-rated weekly basis.

DENTAL INSURANCE

Dental insurance is available to full-time regular employees, which becomes effective on the first day of the month following completion of three months of continuous employment.

The Town pays for 100% of the single plan premium. For employees enrolled in either a two-person or family plan, the Town pays 50% of the difference between the single plan premium and the plan level chosen. Employees are responsible for paying the portion of premium costs based upon two-person and family plans through weekly payroll deductions. A schedule of these costs will be provided during new hire orientation and/or annual open enrollment.

HEALTH AND DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Town offers full-time regular employees the opportunity to make pre-tax contributions to Health Care (HCFSA) and Dependent Care Flexible Spending Accounts (DCFSA) in accordance with Internal Revenue Code Section 125.

LIFE INSURANCE

The Town pays 100% of the cost of basic life and AD&D insurance protection for full-time regular employees in an amount equal to \$100,000. Employees can choose to purchase supplemental life insurance coverage for themselves, their spouse and/or dependents. The cost of any additional insurance will be made through payroll deductions.

SHORT- AND LONG-TERM DISABILITY INSURANCE

The Town pays 100% of the cost of short- and long-term disability coverage to full-time regular employees. Employees are able to supplement disability payments using their available accrued leave.

PAID TIME OFF

HOLIDAYS

The Town of Salem observes the following holidays:

- New Year's Day
- Civil Rights Day
- Presidents' Day
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving Day
- Day after Thanksgiving
- ½ Day Christmas Eve (last workday prior to Christmas Day)
- Christmas Day
- ½ Day New Year's Eve (last workday prior to New Year's Day)

When a holiday falls on a Sunday, the following Monday shall be declared a holiday. When a holiday falls on a Saturday, the preceding Friday shall be declared a holiday. The provisions of this section shall apply to full-time regular and, on a prorated basis, to part-time regular employees.

Employees who are required to work on a holiday will be paid for the time worked and receive holiday pay at straight time.

BEREAVEMENT LEAVE

Bereavement leave shall be granted as follows:

1. Special leave of five (5) working days without any loss of wages in the event of the death of a spouse or child (including stepchildren).
2. Special leave of three (3) working days without loss of wages in the event of the death of a member of the employee's immediate family* or person domiciled in employee's household.
3. Bereavement leave for part-time employees will be on a prorated basis.

Bereavement leave does not include friends or neighbors, employees may use their applicable accrued leave to attend these services.

*Immediate family includes parents, step-parents, siblings, step-siblings, in-laws, grandparents and grandchildren.

VACATION

The provisions of this section shall apply to full-time regular employees and, on a prorated basis, to part-time employees that work a minimum of 20 hours a week. Vacation is accrued at the following rates:

Start – 5 years of service	1.25 days/month (15 days/year)
5 – 15 years of service	1.66 days/month (20 days/year)
15-20 years of service	2.08 days/month (25 days/year)
20+ years of service	2.5 days/month (30 days/year)

Unless otherwise specified in writing to the employee, one vacation day is equal to one-fifth (1/5th) of the regular weekly hours.

Employees are asked to schedule vacation time with as much notice as possible. Employees should make vacation time requests to their supervisors. Supervisors are encouraged to grant these requests unless extenuating circumstances exist which justify denying the request.

Employees may accrue a maximum of 20 days of vacation time. Employees who reach the maximum accrual will not continue to accrue vacation time.

Employees seeking an exception to this policy must petition the Town Manager in writing for approval. Such requests should only be granted when the employee can demonstrate that taking vacation time was not feasible due to work needs and scheduling.

Upon termination of employment for a non-probationary employee, accrued vacation leave is paid to the employee up to 20 days.

SICK LEAVE

The Town of Salem provides paid sick leave to full-time regular employees and, on a prorated basis, to part-time regular employees. Sick leave shall be computed and accrued on a monthly basis, including the probationary period of an employee. Sick leave shall be granted to employees at the rate of one (1) day per calendar month worked, credited at the end of the month. Employees out of work on a non-work-related leave for greater than 30 days will no longer accrue sick leave until they return to full duty.

Unused sick leave may be accrued to a maximum of 30 days.

Sick leave is to be used for the employee's own illness, the illness of a family member residing with the employee, or for the employee's use in attending to health matters such as medical and dental appointments.

Upon voluntary resignation of a non-probationary employee, layoff or retirement, employees are entitled to a lump sum payment of 100% of the number of accumulated days due at the rate of pay at the time of termination of service, not to exceed thirty (30) days.

PAID TIME OFF (PTO)

Time off that combines vacation, personal and sick leave into a single bank of non-cumulative days for employees to use to take paid time off from work.

Full-time employees hired on or after March 1, 2023 – Upon commencing employment and each employment year thereafter, employees will be credited with thirty (30) non-cumulative leave days that will be usable for 14 calendar months. In the event the employee's legitimate job responsibilities or an approved leave of absence (FMLA or worker's comp) prevent PTO usage as outlined above, an exception shall be granted by the Town Manager, with an approved plan for PTO usage bringing the employee's accumulation within the specified limits. Upon separation from Town service, the maximum PTO paid (to non-probationary employees) shall be 30 days. Probationary employees are not entitled to payment of PTO upon separation from Town service.

During their anniversary month, employees may opt to sell back to the Town up to ten (10) days of PTO.

There will be a one-time option (March 2023) for current employees to convert to the PTO policy. Current employees that choose to convert to PTO will start with an account balance consisting of the vacation and sick (eligible for payout on March 1, 2023) balance at the time of conversion. Employees will not lose days if they come into the plan with a balance greater than the PTO cap. Employees that have days over the maximum will have one year to use time in excess of the maximum allowed accrual.

Guidelines for using PTO

Employees are asked to request scheduled PTO with as much advance notice as possible.

Time that is not covered by the PTO policy, and for which separate guidelines and policies exist, include paid holidays, bereavement time off, required jury duty, and military service leave.

TUITION REIMBURSEMENT

Non-affiliated employees may request reimbursement for tuition and registration costs for job-related courses and certifications. Employees seeking tuition reimbursement should request approval from their Department Head. The employee's request must be written and include the following information: Name of course, institution offering the course, content of the course, cost of the course and course duration.

If the Department Head approves the course, the application must then be submitted to the Town Manager for approval. If the course is approved, the employee will be provided with a Tuition Reimbursement Agreement detailing requirements for receiving reimbursement, including minimum grade and course completion requirements. The Tuition Reimbursement Agreement will be kept on file in the Human Resources Department.

Employees wishing to receive tuition reimbursement are encouraged to seek approval six weeks prior to commencing the class.