

NON-REPRESENTED EMPLOYEE BENEFITS POLICY

PURPOSE: To clearly identify and delineate the non-salary compensation provided to non-represented employees who are employed by the City of Brookfield after January 1, 2012. This policy does not apply to employees who hold titles represented by a union, unless the labor contract does not contain employee benefit provisions.

DEFINITIONS:

Employee: An incumbent of a non-represented City of Brookfield position, serving an indefinite or limited-term period of employment, who is working in a probationary, seasonal, temporary, full-time, part-time, half-time, or limited-term capacity, and who receives wages from funds administered by the City of Brookfield.

Employment Status: The City of Brookfield recognizes four (4) levels of employment status for fringe benefit eligibility administration:

Active: The employee maintains a pay status. For example, the employee is at work or is on paid leave, whether actually at work performing services. Unless otherwise provided in this policy, eligibility for fringe benefits is contingent upon maintaining an active pay status.

Inactive: The employee does not maintain a pay status. For example, the employee is on an unpaid leave of absence, on military leave, on seasonal layoff, or has been suspended without pay.

Terminated: The employee has separated from the City for a reason other than retirement. For example, the employee resigned or was discharged.

Retired: The employee has retired from the City and is eligible to receive benefits under the Wisconsin Retirement System. This status includes non-union protective service personnel receiving a duty-disability retirement. It does not include employees who elect a deferred retirement.

Types of Appointment: The City of Brookfield recognizes four (4) types of appointment for fringe benefit eligibility administration:

Regular: The appointment is made to a non-union position found in the Positions Ordinance, with no definitive term. Incumbents of these positions are entitled to participate in the benefit programs contained in this policy pursuant to their employment status and level of appointment.

Seasonal: The appointment is made to a position that works during a specific annual timeframe that may vary, according to the operational needs of a department. Unless specifically provided herein, incumbents of such positions are ineligible for any benefits contained in this policy.

Temporary: The appointment is made to a position that works for a specific period of time, not to exceed 6 months, unless an extension is authorized by the Human Resources Director. Unless

specifically provided herein, incumbents of such positions are ineligible for any benefits contained in this policy.

Limited-Term: The incumbent is engaged in a contractual employment relationship to work on a specific project for a specific period of time which is designated by an agreement approved by the Common Council. Unless specifically provided herein, incumbents of such positions are ineligible for any benefits contained in this policy, unless specifically provided for under the terms of the employment contract.

Levels of Appointment: The City of Brookfield recognizes five (5) levels of appointment for fringe benefit eligibility administration. Unless otherwise provided for within this policy, the level of paid leave benefits provided is based on the level of appointment, which is generally pro-rated on a 2080 hour work year basis, with exceptions for alternative schedules for Sworn Management and other areas.

Full-Time: The incumbent of the position is normally scheduled to work, on average, at least 38 hours per week on an annual basis.

Part-Time: The incumbent of the position is normally scheduled to work, on average, at least 30 but less than 38 hours per week on an annual basis.

Half-Time: The incumbent of the position is normally scheduled to work, on average, at least 15 but less than 30 hours per week on an annual basis.

Intermittent: The incumbent of the position is normally scheduled to work, on average, less than 15 hours per week on an annual basis.

Job Share: The incumbent fills a full-time position with another incumbent, and shares the associated benefits pursuant to an agreement approved by the Human Resources and Public Safety Committee of the Common Council.

Department Head: An employee who holds the title of Director of Public Works, City Attorney, Director of Finance/Treasurer, Director of Community Development, Police Chief, Fire Chief, Human Resources Director, Information Technology Director, Library Director, and Director of Parks, Recreation, and Forestry.

Sworn Fire Management: An employee who holds the title of Fire Chief, or Deputy Fire Chief.

Sworn Police Management: An employee who holds the title of Police Chief, Assistant Chief of Police, Police Captain, Police Lieutenant, or Police Sergeant.

EMPLOYEE BENEFIT PLAN COMPONENTS:

Section 1. Health Insurance: All regularly appointed full-time employees in active service are eligible for Health Insurance. Participating employees must renew annually during the City's open enrollment period. Employees who opt for Health Insurance pay 20% of the total monthly premium cost of the plan selected, although the Common Council may approve a lesser amount, under certain conditions it may set. All regularly appointed part-time employees (30 to 38 hours per week) are eligible to participate in the Health Insurance plan provided that no other group health insurance plan is available from another employer of the employee. Part-time employees must pay 50% of the total monthly premium cost of the plan selected. All regularly appointed job-share employees are eligible to participate in the Health Insurance plan, and pay 60% of the total monthly premium cost in the event both employees opt for health insurance, or 20% of the total monthly premium cost in the event just one of the two Job Share employees opts for health insurance. Employees hired on a half-time or intermittent basis are not eligible to participate in the Health Insurance plan. Employees appointed on a temporary, seasonal, or limited-term basis are not eligible for Health Insurance.

Employees must enroll within thirty (30) calendar days of the start date as a regularly appointed full-time, part-time, or job-share employee in order to be eligible for the Health Insurance benefit. Coverage begins the first calendar month following thirty (30) calendar days of employment. Subsequent enrollment is limited to the City's annual Open Enrollment period. Employees who previously declined coverage because they were covered under another plan and subsequently lost the coverage due to a qualifying event may be eligible to enroll in the Health Insurance plan at the time of the qualifying event.

In the event an eligible employee has a spouse who is also an eligible City employee, the employee and spouse shall be eligible for only one (1) family plan or two (2) single plans between them.

All regularly appointed full-time, part-time, and job-share employees with fifteen (15) continuous years of active service are eligible to maintain participation in the City's Health Insurance program upon retirement, until they are eligible to participate in Medicare. In the event of the retiree's Medicare eligibility or death, his or her spouse shall be eligible to maintain health insurance coverage until the spouse becomes eligible for Medicare. Participation is at the retiree's sole cost except that, for Sworn Fire and Police Management employees hired prior to January 1, 2003, the City will discount up to \$500 per month of the cost of the health insurance plan selected, provided further that the employee waives all rights to any similar benefit program that may exist pursuant to a collective bargaining agreement. In the event of the death or Medicare eligibility of a Sworn Fire or Police Management retiree hired prior to January 1, 2003, the retiree's spouse shall be eligible to continue participation until such time the spouse dies or reaches Medicare eligibility, but shall be ineligible for the \$500 per month discount. If the retiree and/or spouse obtains employment in which comparable health benefits are available at a cost that does not exceed the participant's cost under the City's program, the retiree/spouse is ineligible to participate in the City's health plan for the period of time the health benefits from the other employer are available.

Section 2. Dental Insurance: All regularly appointed full-time employees in active service are eligible for Dental Insurance participation. Participating employees must renew annually during the City's open enrollment period. The City monthly premium contribution will equal 80% of the single or family premium. These amounts may be modified by the Common Council. Employees who opt for Dental Insurance pay the difference between the City contribution and the total monthly premium cost of the plan selected. All regularly appointed job-share employees are eligible to participate in the Dental Insurance plan, and receive 40% of the total monthly premium cost in the event both job-share employees opt for Dental Insurance, or 80% of the monthly premium cost in the event just one of the two job-share employees opts for Dental Insurance. Employees hired on a part-time, half-time, temporary, seasonal, limited-term, or intermittent term basis are not eligible to participate in the Dental Insurance plan.

Employees must enroll within thirty (30) calendar days of the start date as a regularly appointed full-time or job-share employee in order to be eligible for the Dental Insurance benefit. Coverage begins the first calendar month following thirty (30) calendar days of employment. Subsequent enrollment is limited to the City's annual Open Enrollment period.

In the event an eligible employee has a spouse who is also an eligible City employee, the employee and spouse shall be eligible for only one (1) family plan or two (2) single plans between them.

Section 3. Life Insurance: All regularly appointed full-time, part-time, half-time, and job-share employees in active service are eligible to participate in the City's Life Insurance benefit. The City currently participates in the Wisconsin Public Employers' Group Life Insurance Program. Coverage commences six (6) months after the start date as a regularly appointed full-time, part-time, half-time, or job-share employee with the City of Brookfield. The City pays the full premium for basic coverage in an amount that is equivalent to the employee's expected salary rate or previous calendar year's salary, rounded to the nearest \$1,000.00. Eligible employees may purchase additional (3 units), supplemental (1 unit), and spousal and dependent (2 units) coverage at their sole cost. Employees appointed on a temporary, seasonal, limited-term or intermittent basis are not eligible for Life Insurance, unless they have been participating in the WRS for a period of six (6) months.

Employees must enroll within six (6) months of the start date as a regularly appointed full-time, part-time, half-time, or job-share employee in order to be eligible for the Life Insurance benefit. If an employee does not choose to enroll at the time of initial eligibility, subsequent enrollment will be contingent upon an "evidence of insurability" process which may disqualify coverage eligibility based upon a pre-existing condition.

Section 4. Long-term Disability Insurance: All regularly appointed full-time, part-time, half-time and job-share employees in active service are required to participate in the City's Long-term Disability Insurance program. Enrollment is automatic upon hire. The premium shall be employee paid as an after-tax deduction. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible to participate.

The benefit is paid at 60% of base income, with a minimum monthly benefit of fifty dollars (\$50) which is offset by all other income continuation programs, except sick leave. The maximum monthly benefit is six thousand dollars (\$6,000). The elimination period is ninety (90) consecutive calendar days.

Section 5. Supplemental Insurance: All regularly appointed full-time, part-time, half-time and job share employees are eligible to participate in the City's Supplemental Insurance program, currently provided through AFLAC. Participating employees must renew annually during the City's open enrollment period. Participation is at the employee's sole cost. Employees appointed on a temporary, seasonal, intermittent or limited-term basis are not eligible for Supplemental Insurance.

Section 6. Pension: Regularly appointed full-time, and part-time, employees are eligible to participate in the City's pension program administered by the State of Wisconsin's Department of Employee Trust Funds. The City pays the full cost of the employer contribution. Effective August 26, 2011 non-public safety employees will be required to pay the employee contribution. Public safety management employees hired prior to July 1, 2011 will continue to have the City pay the full cost of both the employer and employee contribution until such time the represented public safety staff members are required to pay the employee contribution. Half-time, job-share, intermittent, temporary, seasonal and limited-term employees are eligible for participation upon completion of 1200 hours of active service within a twelve (12) month period.

Section 7. Retiree Health Savings Program: Regularly appointed full-time and job-share employees are required to participate in the City's Retiree Health Savings (RHS) Program. Employees appointed on a temporary, seasonal, limited-term, part-time, half-time, or intermittent basis are not eligible to participate.

The Retiree Sick Leave payout benefit (terminal leave) contained in Section 11, will be contributed by the City into the employee's Retirement Health Savings (RHS) account.

The City currently contributes \$30 per pay period to the individual RHS account for full-time employees in active service. The City may approve additional contributions for eligible employees through subsequent action of the Common Council.

Participating employees are fully vested in their own individual accounts. The program is currently administered by ICMA Retirement Corporation. The program does not allow de minimus account distributions. Participant employees are eligible to receive medical benefit reimbursements for post-employment health insurance, dental insurance, Medicare-supplement and other insurance premium expenses, with no restrictions. Depending on circumstance, employees may be reimbursed for other medical expenses eligible under IRC Section 213, other than direct long-term care expenses. All other terms and conditions are set forth in the Plan Adoption Agreement and Plan Administration Agreement between the City and ICMA Retirement Corporation.

Section 8. Deferred Compensation Program: Regularly appointed full-time, part-time, half-time and job share employees are eligible to participate in the City's Deferred Compensation program. Employees appointed on a temporary, seasonal, intermittent or limited-term basis are not eligible for Deferred Compensation. Participating employees may modify contribution levels no more than three (3) times per calendar year.

Section 9. Flexible Spending Accounts: Regularly appointed full-time, part-time, half-time, and job-share employees are eligible to participate in the City's Flexible Spending Account program. Employees appointed on a temporary, seasonal, intermittent or limited-term basis are not eligible for Flexible Spending Accounts. Participating employees must renew annually during the City's open enrollment period. The maximum annual contributions are five-thousand dollars (\$5,000) for dependent care expenses and five-thousand (\$5,000) for medical expenses, unless lower maximum contributions are required by law.

Employees who enroll in City of Brookfield Health and Dental Insurance are required to pay their premiums through the Flexible Spending Account program.

Section 10. Vacation: Full-time, part-time, job-share, and half-time employees who average at least twenty (20) hours per week of active service in a calendar year, are eligible to earn vacation. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible for vacation benefits. For full-time employees in active service, vacation time is earned and used within the same calendar year on the following schedule: From the date of hire through the calendar year in which two (2) years of service are completed, two weeks of vacation earned per calendar year. Starting the calendar year three (3) years of service are completed, three (3) weeks of vacation earned per calendar year. Starting the calendar year seven (7) years of service are completed, four (4) weeks of vacation earned per calendar year. Starting the calendar year fifteen (15) years of service are completed, four (4) weeks and three (3) days of vacation earned per calendar year. Starting the year twenty (20) years of service are completed, five (5) weeks of vacation earned per calendar year. For Management employees holding titles allocated to Salary Grade 9 and above the schedule is accelerated: From date of hire through the calendar year in which three (3) years of service are completed, three weeks of vacation earned per

calendar year. Starting the calendar year in which the employee completes a fourth year of service, four (4) weeks of vacation earned per calendar year. Starting the calendar year fifteen (15) years of service are completed, four (4) weeks and three (3) days of vacation earned per calendar year. Starting the year twenty (20) years of service are completed, five (5) weeks of vacation earned per calendar year. Years of service for vacation purposes are based on full-time equivalents. Vacation earnings in the first calendar year of employment are pro-rated based on date of hire. For job-share employees, vacation earnings are pro-rated based on the amount of active service time within the previous calendar year. For part-time and half-time employees who average twenty (20) hours of work per week on an annual basis, vacation earnings are pro-rated, and are limited to up to the amount worked in one (1) standard average work week.

For Sworn Management in the Fire Department working a 56 hours per week schedule, one (1) week of vacation earnings will constitute three (3) regularly scheduled duty days. For employees who move from a 56 hour work week to a 40 hour work week and vice versa, vacation earnings and balances will be converted to the relevant vacation system.

Starting the first year of employment, Department Heads earn four (4) weeks of vacation per calendar year. In addition, Department Heads are eligible for an additional week of compensatory time for attendance at meetings beyond the normal work day.

Vacation may be scheduled within the calendar year earned with approval of the Department Head. In the event a separating employee has utilized more vacation than earned, the City will deduct the overpayment from the employee's check. With Department Head approval, employees may carry over vacation into the ensuing year for use by March 31. Annual vacation carryover is limited to forty (40) hours for non-management personnel and eighty (80) hours for management. In extraordinary circumstances, the Human Resources Director may authorize carryover in excess of these limitations and/or utilization beyond March 31. Vacation hours not utilized or properly carried over are lost. In extraordinary circumstances, the Finance Director may authorize a payout of accumulated vacation balances. With Department Head approval, the Human Resources Director may authorize additional vacation leave in lieu of scheduled salary adjustments for FLSA exempt employees making such a request.

Section 11. Sick Leave: The purpose of Sick Leave is to maintain a pay status during an employee's necessary absence from work due to illness, injury, or medical and dental appointments that must be scheduled during the normal work day. A Department Head may require an employee to provide medical substantiation for Sick Leave utilization. At the discretion of the Department Head, Sick Leave may be utilized to care for the spouse or minor children of the employee who are incapacitated due to illness or injury.

Regularly appointed full-time and job-share employees in active service are credited with six (6) days of Sick Leave each January 1, until a maximum balance of (60) days (480 hours) is attained. Sick Leave earned prior to January 1, 1999 is maintained in a separate account (Frozen Sick Leave). The combined balance of both sick leave accounts cannot accumulate to exceed sixty (60) days, however, employees with a combined Sick Leave balance in excess of sixty (60) days may maintain that balance or utilize it, but shall not accumulate additional sick leave hours until such time the combined balance of sick leave falls below the limitation of four-hundred eighty (480) hours.

Department Heads are not eligible to earn Sick Leave. Employees appointed on a part-time, half-time, intermittent, temporary, seasonal, or limited-term basis are not eligible to earn Sick Leave.

For Sworn Management in the Fire Department working a 56 hour schedule, annual sick leave earnings are six (6) duty days (144 hours) and the maximum sick leave account balance is 1,440 hours. For employees who move from a 56 hour work week to a 40 hour work week and vice versa, sick leave earnings and balances will be converted to the relevant sick leave system.

Eligible employees who were in active service prior to January 1, 1999, are eligible to receive a lump sum payment of 50% of the remaining pre-January 1, 1999 Sick Leave Account balance upon retirement (terminal leave payment). An eligible employee promoted to a Sworn Management position after January 1, 1999 is eligible to maintain the Sick Leave balance earned in a non-Sworn Management capacity, in the pre-January 1, 1999 Sick Leave Account. Upon request, the Human Resources Director is authorized to convert frozen sick leave hours to vacation leave at the same rate of 50% if in his or her judgment, such action is in the best interest of the City.

Section 12. Holidays: The City of Brookfield recognizes the following holidays for purposes of fringe benefit administration: **New Year's Day** (January 1, or January 2, if January 1 falls on a Sunday, or January 3, if January 1 falls on a Saturday); **Memorial Day** (Last Monday of May); **Independence Day** (July 4, or July 5 if July 4 falls on a Sunday, or July 3, if July 4 falls on a Saturday); **Labor Day** (First Monday of September); **Thanksgiving Day** (Fourth Thursday of November or other day designated by the Governor of Wisconsin as a day of thanksgiving); **The day after Thanksgiving**; **Christmas Eve Day** (December 24, or December 22 in the event December 24 falls on a Sunday, or December 23 in the event December 24 falls on a Saturday); **Christmas Day** (December 25, or December 26 if December 25 falls on a Sunday, or December 27 if December 25 falls on a Saturday); **New Year's Eve Day** (December 31, or December 29 if December 31 falls on a Sunday, or December 30, if December 31 falls on a Saturday); and, **One Floating Holiday**. The Floating Holiday must be scheduled and utilized within the calendar year pursuant to procedures determined by the Department Head. Employees hired after July 1 are not entitled to a Floating Holiday in the first calendar year of service.

Regularly appointed full-time employees are eligible to receive Holidays when in active service. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible for Holiday pay. Regularly appointed part-time, half-time, and job-share employees in active service are eligible for Holiday pay on a pro-rata basis, but only on City Holidays they would have been regularly scheduled for work. Part-time and half-time employees are eligible for up to three (3) personal days per calendar year, earned on a pro rata basis on the following schedule: 2 years of service or less – 1 personal day; the calendar year in which the employee reached three years of service – 2 personal days; the calendar year the employee reaches seven years of service – 3 personal days. Personal days may not be carried over to the ensuing calendar year.

Employees of departments normally required to work on a recognized City Holiday receive an additional Floating Holiday in lieu of time off.

Sworn Fire Management employees in active service who work on a rotating shift schedule receive 144 hours of paid time off in lieu of the aforementioned holidays. Employees may elect to take this benefit in cash.

Sworn Police Management employees who work on a 5/2 – 5/2 schedule receive the following eight (8) holidays: **New Year's Day** (January 1, or January 2, if January 1 falls on a Sunday, or January 3, if January 1 falls on a Saturday); **Memorial Day** (Last Monday of May); **Independence Day** (July 4, or July 5 if July 4 falls on a Sunday, or July 3, if July 4 falls on a Saturday); **Labor Day** (First Monday of September); **Thanksgiving Day** (Fourth Thursday of November or other day designated by the Governor of Wisconsin as a day of thanksgiving); **Christmas Eve Day** (December 24, or December 22 in the event December 24 falls on a Sunday, or December 23 in the event December 24 falls on a Saturday);

Christmas Day (December 25, or December 26 if December 25 falls on a Sunday, or December 27 if December 25 falls on a Saturday); **New Year's Eve Day** (December 31, or December 29 if December 31 falls on a Sunday, or December 30, if December 31 falls on a Saturday); and, **Two Floating Holidays**. The floating holidays must be scheduled and utilized within the calendar year pursuant to procedures determined by the Police Chief. Employees hired after July 1 are entitled to one (1) Floating Holiday in the first calendar year of service.

Sworn Police Management employees in active service who work on a 5/2 – 4/2 schedule receive ten (10) days of paid time off in lieu of the aforementioned holidays. Employees may elect to take this benefit in cash.

Section 13. Workers' Compensation Supplement: Regularly appointed full-time, part-time, half-time, and job-share employees receiving workers' compensation payments as a result of a City of Brookfield work injury are eligible to receive a continuance of net pay for a period not to exceed three (3) months per injury. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible for the Workers' Compensation Supplement. Payment is contingent upon the employee reimbursing to the City the full workers' compensation lost time benefit for the period the supplement is paid.

Section 14. Bereavement Leave: Regularly appointed full-time, part-time, half-time, and job-share employees in active service are eligible to receive full pay for absences related to the bereavement associated with the death of an immediate family member. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible for Bereavement Leave.

Full-time employees are eligible for a maximum of three (3) days of Bereavement Leave for the death of an immediate family member – defined as the spouse, child, step-child, parent, step-parent, sibling, step-sibling, grandparent, grandchild, parent-in-law, child-in-law and, sibling-in-law. Regularly appointed part-time, half-time, and job share employees in active service are eligible for Bereavement Leave on a pro-rata basis. All leave time pursuant to this section must commence within thirty (30) calendar days of the date of death of the immediate family member.

For Sworn Fire Management employees working a 56 hour schedule, one (1) duty day of Bereavement Leave for the death of an immediate family member, as defined above.

Section 15. Jury Duty Leave: Regularly appointed full-time, part-time, half-time, and job-share employees in active service are eligible to receive full pay for jury service which is required during normally scheduled work hours. Employees appointed on an intermittent, temporary, seasonal, or limited-term basis are not eligible for Jury Duty Leave. Employees dismissed from jury duty during the workday will be compensated for actual time in jury service plus reasonable travel time to work. Eligibility for Jury Duty Leave is contingent upon the employee submitting jury service compensation to the City of Brookfield, less any travel expenses, if incurred.

EMPLOYEE BENEFIT ADMINISTRATION:

Equal Opportunity: Principles of merit and equity shall prevail in all aspects of employee benefits administration. The Human Resources Director shall be responsible for ensuring that no employee is discriminated against because of age, race, color, religion, gender, marital status, sexual orientation, disability, national origin, creed, political affiliation or ancestry in regard to any employee benefits administrative transaction.

COBRA, FMLA, and HIPAA Compliance: In recognition of the City's obligations under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA), the federal and State Family and Medical Leave Acts (FMLA) and the Health Insurance Portability and Accountability Act (HIPAA), the Human Resources Director shall be responsible for establishing and maintaining the necessary recordkeeping, notices, and benefit administration practices to assure good faith compliance with these Acts.

Benefit Levels at Appointment: The Human Resources Director may authorize additional vacation and sick leave benefits; or waive or reduce waiting periods for certain benefits, for newly hired employees, if in his or her assessment, such adjustments are necessary for recruitment purposes.

Employee Discipline: The Human Resources Director may authorize a commensurate deduction of paid leave hours from the appropriate leave account of an employee who requests such treatment in lieu of suspension without pay.