



EMPLOYEE COMPENSATION & BENEFITS GUIDE

City of Fond du Lac

Contents

- Introduction 1
- Compensation 3
 - Salary Administration**..... 3
 - Job Classification** 3
- Paid Time Off..... 9
 - Holidays & Floating Holidays** 9
 - Vacation**..... 9
- Coverage & Protection..... 11
 - Sick Leave**..... 11
 - FMLA** 11
 - Worker’s Compensation** 12
 - COBRA**..... 13
- Health Insurance 14
 - Medical Insurance & Surviving Spouse Coverage** 14
 - Prescription Drug Coverage** 15
 - Vision Discount Program**..... 15
 - Corporate Care Clinic & Consumer Incentives** 15
- Employee Assistance Program 17
- Dental Insurance 18
 - Care Plus Dental Plan** 18
 - Delta Dental & Vision Discount Plan** 18
- Flexible Spending Accounts 19
 - Medical Expenses** 19
 - Dependent Care Expenses** 20
- Life Insurance 21
 - Basic & Accidental Death and Dismemberment** 21
 - Optional Additional Employee, Spouse, and Child Coverage** 21
 - Optional Long-Term Disability** 22
- Retirement Savings & Deferred Compensation 23
 - Wisconsin Retirement System** 23
 - ICMA-RC 457, IRA, & RHS Plans** 23
- Educational Assistance..... 24

Introduction

This Guide was created to provide guidelines to aid all employees of the City of Fond du Lac in understanding their compensation and benefits that relate to their employment with the City. It contains general statements of City policy and should not be read as including the fine details of each policy, nor as forming an express or implied contract or promise that the policies discussed in it will be applied in all cases. The City may add to this guide or revoke or modify it from time to time. The City will try to keep this guide current, but there may be times when a policy will change before this material can be revised, published and communicated.

Notice: This Guide generally applies to all employees. However, in some instances employees who were hired before January 1, 2012 may be entitled to certain benefits that are not contained in this guide. The Human Resources Department is available to answer any questions regarding all human resource issues including benefit eligibility and questions.

Compensation

Salary Administration

The compensation strategy is based upon pay plans and policies that determine the classification of jobs into pay grades and pay steps. Exceptions to the pay plan may be made by the City Council.

The current salary schedule for General employees may be found on the City website (www.fdl.wi.gov).

- 1) Pay Plan – City pay plans include the schedule of pay ranges consisting of a minimum and maximum rate of pay for all classes of positions contained in each respective plan as well as the components and intended purposes for each feature of the respective plans. The objective of each pay plan is to provide an appropriate salary structure to recruit and retain, and motivate a qualified workforce of City employees while at the same time controlling cost.
- 2) Competition in targeted talent/labor markets
 - a. Described by the industry, size, and location where employers compete for talent in both recruitment and retention efforts
- 3) Preserving City staff/jobs
 - a. Performance management
- 4) Preserving City services
- 5) Providing top quality benefit programs for employees
- 6) Conducting open dialogue with employees regularly
- 7) Building a culture of honesty, trust and respect
 - a. Fairness and transparency
 - b. Sharing appreciation for job well done
- 8) Educational opportunities for future growth

Job Classification

The purpose of a job classification plan is to provide a standard system of titles and job descriptions for the effective administration of personnel activities such as: staffing, planning and budgeting, establishing and maintaining standards of job performance, fair and equitable pay, valid selection and recruitment programs, training programs and career development.

- 1) Authorized Position Count – The authorized position count, as authorized by the City Manager and duly adopted as part of the annual City Budget, serves as the official documentation of positions within the City organization.
- 2) Human Resources – The Director of Human Resources will be responsible for the administration of the job classification plan in cooperation with Directors.
- 3) New Positions – The Director of Human Resources, in coordination with Department Heads, may establish a new class or position with an appropriate pay range subject to the approval of the City Manager and subsequently duly adopted as part of the annual City budget.
- 4) Abolition of Positions – When it is determined that a classification or classifications are no longer useful or needed, the Director of Human Resources may recommend to the City Manager that such classes be abolished and duly adopted as part of the annual City Budget.
- 5) Reclassification – If a supervisor and/or employee has facts which indicate a position is improperly classified, the employee may work with his/her supervisor to submit a written request to their Department head to request a reclassification. If the Department Head approves

the request, the employee will work with his supervisor and the Department Head to complete a job description questionnaire, which all will sign and submit to the Director of Human Resources for review. The Director of Human Resources may use outside compensation consultants to review market data and make recommendations. The Director of Human Resources will submit the recommendations and reports to of the City Manager. The City Manager will decide which recommendations to accept and what can be added to the City Budget, so that any approved reclassifications are duly adopted as part of the annual City budget.

- 6) Department Reorganization – If a department or division is reorganized, position descriptions for all affected employees will be submitted to the Director of Human Resources for review and approval as part of such reorganization subject to approval of the City Manager. Reorganized divisions or departments that have new positions or classifications will subsequently be duly adopted as part of the annual City budget.
- 7) Position Description – The Director of Human Resources may require departments to submit position descriptions/job description questionnaires (JDQ's) when vacancies occur or anytime there is reason to believe that there has been a significant change in the duties or responsibilities of one or more positions. A review of position descriptions by Supervisors and employees is recommended every two (2) years. Official job descriptions will be on file in the Human Resources office.
- 8) Review of Classification Plan – The Director of Human Resources, in coordination with Department Heads, will review the classification plan as often as appropriate to ensure that the plan accurately reflects existing position responsibilities and market conditions. The Director of Human Resources will take whatever action is appropriate to amend and update the classification plan, subject to review of the City Manager. Amendments will be duly adopted as part of the annual City budget.

The City Manager and Director of Administration, will be responsible for determining the total annual amount available for salaries and salary measures under each pay plan as part of the yearly budget process. The City Manager will also be responsible for the approval of the basic structure and overall ranking of job classifications based upon the recommendations of the Director of Human Resources and any outside compensation consultants hired by the City.

The Director of Human Resources will also be responsible for the overall administration of each pay plan and, in coordination with Department Heads, will make additions, subtractions, and modifications to classifications and the corresponding pay range assignments as needed between formal surveys and outside consultant services with the approval of the City Manager for reflection in future budget documents.

The pay plan groups together positions of similar responsibility into grade levels to establish an appropriate rate for each grade, and range for that grade. The appropriate rate shall be based on internal ranking and external market conditions.

Pay Grades – Pay grades are established upon completion and analysis of a Job Description Questionnaire (JDQ). The purpose of the Job Description Questionnaire (JDQ) is to collect and provide necessary information about the job (specific duties and responsibilities) to evaluate salary placement within the compensation structure, classify jobs for various legal requirements (i.e. FLSA), and to compile appropriate job descriptions. It is a systematic process used to establish internal equity among positions and the foundation for the development of an overall classification hierarchy.

It may include any of the following:

- Demographic Information
 - o Assists in reconciling job title discrepancies and clarifying supervisors as well as other position factors
- Essential Duties & Responsibilities
 - o Primary Duties
 - Most important aspects of the job
 - WHAT is done rather than HOW it is done
 - o Frequency and Percentage of Total Annual Time
- Tools & Technology
 - o Software/Technology regularly used in order to perform the functions of the job
 - o Equipment/Machinery regularly used in order to perform the functions of the job
 - Tools of the trade and specialized protective equipment
- Judgments/Decision-Making
 - o Typical Problems/Challenges
 - o Possible Solution(s) to Problem/Challenge
 - o Resources available and/or used
 - o Job Title of who reviews
- Working relationships / interactions / contacts
 - o Title of individuals with whom interaction takes place
 - o Description of interaction
 - o Why was it necessary
 - Overall purpose/goal of interaction
- Supervision/Management
 - o Area of Action/Responsibility
 - Supervisory and quasi-supervisory
 - Level of involvement – Yes, No, Provides Input
 - o Direct supervision of Full-Time (FTE) employees
 - Authority to hire or fire other employees
 - Suggestions and recommendations as to hiring, firing, advancement, promotion, or any other change of status of other employees
- Work Environment/Physical Requirements
 - o Physical effort and exposure to health hazards or hazardous environments over the course of a year
 - Rarely/Occasionally/Frequently
 - o Potential for injury in performance of the position
- Additional Employee Comments
 - o Other identifiable features not recognized previously
- Supervisor(s) title
- Education Requirements for hire
 - o Level of Education
 - o Field of Study
 - o Additional Information
- Experience Requirements for hire
 - o Years of Experience
 - o Type of Experience

- Specific field
 - Aspect of field
 - General work
- Certifications/Licensure/Training to perform job
 - Specific requirements
 - How attained/provided
 - Required upon hire OR may obtain after hire
 - Current practices
 - Extra compensation for certification pay
 - Employer reimbursement for obtaining/renewing
- Comments/Corrections/Additions - Supervisor
 - Any additional comments by supervisor as it pertains to any of above information provided
- Comments/Corrections/Additions – Administration/HR
 - Any additional comments by Administration/HR as it pertains to any of above information provided
- Current Market review

Pay Steps/Ranges – Pay steps/ranges are established within the pay grades. The Fond du Lac City Council has chosen to match the market.

- Match the market - set pay levels relative to those in the existing marketplace. By matching the pay rates of its competitors, the organization ensures its compensation structure remains competitive, therefore improving its ability to attract and retain top talent. Although this approach allows employers to better manage labor costs, it also has the potential of placing the employer in a position of having to play catch-up, requiring larger adjustments to the compensation structure during tight labor markets.
- Pay range widths are established with a minimum, midpoint, and maximum based on goals for compensation within the organization
 - Compa-ratio – measures the relationship between the salary of an employee and the midpoint of the pay range for that employee
 - A Compa-ratio of 1.00 or 100% means that the employee is paid exactly what the industry average pays and is at the midpoint for the salary range
 - Market ratio – measures the relationship between the salary of an employee and the value of their position in the market
- Analysis is completed as it relates to span of control and compression within the employees currently in the grade, and into the step appropriately aligned to the experience, education, and certifications obtained in prior employment positions as well as within the division to assign the proper step placement.
- Employees progress through the steps based upon City Council annual approval of the budget.
 - Steps allow for growth over the years
 - Steps allow for differentiation of skills and performance
- Promotional opportunities may be available based upon a succession plan.

Salary Adjustment – The salary schedule will be reviewed annually to consider overall changes of salaries inside the organization, the labor market, and economic conditions. If a general adjustment is given, it may be made either on a straight percentage basis, a flat dollar amount, or a combination of the two. Such adjustment will normally be effective with Payroll 1.

Pay System - Pay periods are bi-weekly. Hours worked during a pay period are ordinarily paid the following Friday of the subsequent pay period.

Step Increases - Step increases may be authorized by the City Council as part of the annual budget process. Such increases will be effective with Payroll 1 until an employee has reached the final step in the series progression. Other authorized step increases will be based upon successful completion of a successful probationary review.

Red – Circle – When an employee’s salary exceeds the existing pay range maximum, the employee’s pay is defined as “red-circled”. A red-circled employee will not be eligible for further base-accumulating pay increases until his/her salary is within the salary range for the existing position.

Promotions - The City recognizes that career advancement through promotion is an important aspect of most employees’ working life. This makes promotion an important recruitment and retention tool for the City. A promotion occurs when an existing employee is competitively selected as the most qualified candidate for an existing vacant position; or as a means to reward an employee who has mastered all elements of the current job and meets the requirement of a higher-level job. When circumstances warrant, the City reserves the right to fill positions by offering promotions to current employees. The City further reserves the right to determine what the appropriate level of compensation and benefits an employee will receive if he/she chooses to accept the promotion. Most employees may anticipate at least a 2.5% increase in pay when accepting a promotion. All promotions will include an orientation period set by the City. If the employee is unable to satisfactorily complete the orientation period in the new position, the City may offer the employee the opportunity to return to his/her previous position if it is still available.

Example:

Clerk Cashier–Grade 3, Step 6, making \$18.62 an hour, is promoted to Administrative Assistant on Grade 4. The employee would be placed no lower than Grade 4, Step 3, making \$19.35 an hour because that is closest step that provides at least a 2.5% increase. However, the City may also place the employee on Grade 4 at a higher step if circumstances warrant a larger increase.

Transfers – Occasionally, the City may require an employee to change jobs in order to better meet the needs of City operations and/or the public. In those cases, the City may seek volunteers to transfer to the position. If there are no volunteers or the City determines that the volunteers do not meet the minimum qualifications, the City may choose an employee for an involuntary transfer. Employees may also request to transfer to a vacant position. The City reserves the right to determine the appropriate compensation level for any transfer to a new position.

Demotions – Unfortunately, there may be occasions when an employee is demoted due to performance issues, work-related misconduct, or changes in the composition of the workforce. In such cases the City will determine in its sole discretion the appropriate placement of the employee for wage and benefit levels.

Further, employees may voluntarily request a demotion for a variety of reasons such as job satisfaction or personal needs. In those cases the City will work with employees to help with the transition and to ensure that the position is meeting the employees' and the City's needs. As with other demotions, the City reserves the right to determine the employees' level of compensation and benefits in their new positions.

Reclassifications – Reclassifications can occur for a variety of reasons including but not limited to changes in job duties or reorganizations of City departments or divisions. A reclassification is used when there is a substantive change to the duties and responsibilities of a job that may occur due to changes in organization, type of work, staffing requirements, technology; or when the classification (title, grade, or status) assigned to the job is incorrect based on the actual job duties. The City periodically reviews all position descriptions and the overall compensation plan to ensure that employees are classified correctly. When the City determines that a reclassification is necessary, it will review the position's compensation to determine if it is appropriate. The City reserves the sole discretion to determine the appropriate classification and compensation level for each position. Generally, employees in positions that are reclassified will not receive a minimum salary increase. They will be placed on the step in their new grade that is closest to their current wage without being a decrease.

Example:

Clerk Cashier–Grade 3, Step 6, making \$18.62 an hour, is reclassified to Grade 4. The employee would be placed on Grade 4, Step 2, making \$18.82 an hour because it is the closest step to the employee's current wage rate on Grade 4 that does not result in a decrease.

Temporary Appointments – From time to time, employees may be temporarily appointed to positions of a higher classification by their supervisor or department head. In those cases, the City reserves the right to offer an incentive such as increased pay to employees that take on the additional responsibilities. Not all temporary appointments will qualify for increased pay. The City reserves the right to determine which temporary appointments will qualify for temporary appointment incentives, and will convey that to the employees prior to making the appointment.

Seasonal Employment – Seasonal employees shall be compensated at a rate established by the annual City budget process.

Paid Time Off

Holidays & Floating Holidays

Eligibility

All full-time and part-time employees working at least 20 hours per week are eligible to receive compensation for holidays; temporary or limited-term employees are not eligible. The Holiday calendar for a given year is published in the fall of the year before with the specific holiday schedule. This is the general list of holidays.

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve (1/2 day)
- Christmas Day
- New Year's Eve (1/2 day)

If a holiday falls on a Saturday, the preceding Friday shall be considered the observed holiday just as Monday will be considered for holidays falling on a Sunday.

Pay Rate & Working on a Holiday

Holiday pay will be computed at the employee's regular rate of pay and at the regular number of scheduled work hours. No employee shall be compensated more than once for any holiday. If a non-exempt employee is required to work on an actual or observed holiday, the City will pay their straight time rate for all hours worked and give the option to receive holiday pay for the day or an additional floating holiday. If an exempt employee is required to work on an actual or observed holiday, they are encouraged to talk to their supervisor about flexing their work schedule. Union employees should refer to their contracts.

Floating Holidays

Floating holidays are other workdays in the year that can be used as holidays at the employee's time of choice and must be used within the year in which they are granted. There will usually be 5 floating holidays received each year, depending on the actual calendar, unless notice is given prior; however, when the ½ day holidays fall on a Friday or a Sunday, they will be converted into an additional floating holiday as well. New employees are eligible for holiday pay after 90 days of employment.

Vacation

The City believes that employees need time away from work each year and provides eligible employees with paid vacation time according to the schedule below and, when it pertains, in the written Union contracts.

Eligibility

Employees will generally be granted paid vacation benefits as of January 1st each year based on their length of continuous service. Along those lines, if an employee is hired between January 1st and June 30th, they will receive 1 week of vacation that they are able to use after 90 days of employment.

	Years of Continuous Service	Weeks of Vacation
Non-Exempt	Less than 8 years	2
	8 – 14 years	3
	15 – 19 years	4
	20 years or more	5
Exempt	Less than 4 years	2
	4 – 14 years	3
	15 – 19 years	4
	20 years or more	5

Union employees should check their contracts for specific vacation information.

Vacation Carryover

Not permitted: In limited instances, employees may be allowed to carryover vacation days into the next year. To qualify for the carryover provisions, a request must be submitted justifying the carryover to the City Manager for approval.

Coverage & Protection

Sick Leave

The City of Fond du Lac helps protect the income of its employees when they are away from work for when they, or an immediate family member, have health care needs that make them unable to work their regularly scheduled hours. The purpose of this benefit is to ensure employees can accrue enough paid sick leave to have protection for their income if they encounter any type of serious injury or illness.

Eligibility

New employees are eligible for this benefit after they complete their 1st full month of employment.

Accruing Income Protection

All eligible employees will accrue paid sick leave based on their normal work schedule. Full-time employees will accrue 1 day per month up to a maximum of 135 days. Sick leave balances and maximum accruals will be tracked in hours based on the employees regularly scheduled number of hours for each day. For example, employees who regularly work 8 hours per day will have a maximum accrual of 1,080 hours while employees who regularly work 6 hours per day will have a maximum accrual of 810 hours.

Intent to Use

Employees who will be missing work due to illness or injury must notify their immediate supervisor according to the departments' work rules. The City may require verification of illness or of the estimated time needed away from work.

FMLA

The City grants eligible employees leaves in accordance with the Wisconsin Family and Medical Leave Act (WFMLA) and the Federal Family and Medical Leave Act (FMLA). More information on the difference between the two can be found in the Employee Handbook. The City has retained an outside vendor, FMLASource to administer the City's FMLA and WFMLA policies and will assign employees to the correct policy when a leave is requested. More information is available from FMLASource's website. A link is provided on the HR website.

Eligibility

Any City employee employed with the City for more than 52 weeks (and a minimum of 1,000 paid hours) is eligible for leave under Wisconsin FMLA. Any City employee employed with the City for more than 52 weeks (and a minimum of 1,250 paid hours) is eligible for leave under Federal FMLA.

Availability

Under Wisconsin FMLA, the amount of unpaid leave available in a calendar year is a maximum of 2-8 weeks depending on the covered purpose. Under Federal FMLA, the amount of unpaid leave available during a 12 month time period for any covered purpose is 12 weeks.

Covered Purposes

There are multiple covered purposes that would qualify an employee to use FMLA. Here's a general description of these purposes:

- 1) Family leave to care for the employee's child after birth, or placement for adoption or foster care OR to care for a child, spouse, parent, parent-in-law, domestic partner, or domestic partner's parent who has a *serious health condition* OR to address certain qualifying demands arising from an employee's spouse, son, daughter, or parent on active duty or call to active duty in the National Guard or Reserves in support of a contingency operation.
- 2) Medical leave for a *serious health condition* that makes the employee unable to perform his/her job OR incapacity due to pregnancy, prenatal medical care, or post-partum recovery.

A serious health condition is generally defined as a disabling physical or mental illness, injury, impairment, or condition which requires inpatient care in a hospital, nursing home or hospice, or outpatient care that requires continuing treatment or supervision by a health care provider.

Particulars

- 1) The City may require a certificate from the health care provider indicating the serious health condition, the date this condition started and how long it is expected to last, and the medical facts regarding the condition. The City may also require a second opinion paid for by the City.
- 2) Leave may be scheduled as a partial absence (intermittent leave) but not in less than 1 hour increments. The City allows employees to take intermittent leave for any covered purpose under the FMLA or WFMLA.
- 3) While on family leave, employees are entitled to the same health insurance coverage they receive while working and the City will not require them to pay more for their coverage than they did while they were working.
- 4) Employees must give advance notice whenever possible to the City and FMLASource of their intention to use FMLA.
- 5) In instances where an employee qualifies for leave under both the WFMLA and the FMLA, the City will consider the leaves to run at the same time.
- 6) Upon return from the FMLA leave, the employee will return to their original job or to an equivalent job with equivalent pay, benefits, and other terms and conditions of employment.
- 7) Although FMLA is an unpaid leave benefit and meant for your job protection, an employee may substitute paid leave (sick leave, vacation, floating holiday, comp time) for income during this time.
- 8) FMLASource can be reached at (877)462-3652 or on their website for any questions, concerns, or help with starting the application process.

Worker's Compensation

The City of Fond du Lac is committed to providing a safe place of employment that includes the use of safety devices and safeguards, methods and processes reasonably adequate to render employment safe, and other things reasonably necessary to protect the life, health, safety, and welfare of their employees. In cases of injury in the workplace, the City does carry Worker's Compensation insurance to protect its employees against losses due to injury or illness caused while in the performance of his/her duties. Employees who suffer a compensable injury under Worker's Compensation are eligible to receive

income continuation equal to 90% of their normally scheduled wages for 6 months or until the employee is able to return to work, whichever occurs first.

In Case of Injury

All injuries, no matter how slight, must be reported immediately to your supervisor. The supervisor will in turn immediately work with you to report the incident to Human Resources. If immediate medical attention is required, the injured employee will be sent to the nearest medical facility capable of handling the type of injury involved and if an ambulance is needed, 911 should be dialed. For every Worker's Compensation related doctor visit, a return-to-work slip will be provided to the employee's supervisor and sent to Human Resources as soon as the employee returns to work.

COBRA

The Federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) allows employees covered under the City's group health insurance to be eligible for continuation of medical coverage under the group plan upon the employee's termination, except for gross misconduct. An employee's covered spouse and dependents are allowed to elect continuation as well upon the employee's death, divorce or legal separation, a covered employee declining coverage due to entitlement to Medicare, or a dependent's loss of dependent status under family coverage.

All employees, as well as their qualified dependents, will receive notice of insurance continuation benefits at the time of hire. Also, if a qualifying event occurs which entitles the employee and/or qualified dependents to continuation coverage, the plan administrator will notify the qualified beneficiaries of their right to elect. Continued participation will be solely at the participant's expense.

Health Insurance

Medical Insurance & Surviving Spouse Coverage

The City of Fond du Lac currently has a self-insured PPO health plan where levels of benefits provided and employee participation are determined by the City and applicable to state and federal regulations.

Eligibility

All full-time and part-time City employees who are regularly scheduled a minimum of 20 hours per week are eligible for Single or Family benefits. Married couples, where both individuals are employed by the City of Fond du Lac and are both eligible for health insurance, may each elect single coverage, or one employee may elect family coverage and enroll the spouse and any dependents under that person.

Enrollment is offered according to the following:

- New employees hired between the 1st and the 15th of the month are eligible to begin coverage on the 1st of the month following their hire date.
- New employees hired after the 15th of the month will be eligible to begin coverage on the 1st of their second full month of employment.
- Special Enrollment rights occur if there is a loss of health coverage or a change in family status such as marriage, divorce, birth, or adoption. These changes need to be brought up to Human Resources within 30 days of the qualifying event.
- Open enrollment is offered in the fall prior to the start of each benefit year.

Employee Contributions

It is the City's policy that employees pay 20% towards the monthly premium cost of their health insurance. The City pays the balance of 80%. The City may provide additional incentives for completing a Health Risk Assessment.

Part-time Employees: The City will contribute towards single coverage plan premiums at the full-time active employee rate for part-time employees who regularly work a minimum of 20 hours per week. Regular part-time employees electing family coverage are responsible for paying the difference between the total monthly family premium and the City's contribution to the single coverage plan premium for full-time active employees.

Auxiant & Health Payment Systems

Auxiant is the City's Third Party Administrator that processes claims for the health plan while Health Payment System (HPS) is the company that manages the provider network. Auxiant and HPS work very closely together to provide access to a comprehensive network of medical providers and process claims quickly and efficiently.

- Auxiant provides users access to their personal claims, flex accounts, provider directories, deductible and out-of-pocket amounts, prescription benefit information, and just about anything necessary to navigate and organize their health coverage plan by registering on their website (www.auxiant.com).
- HPS provides access to medical providers and pays the doctors on the employee's behalf for in-network visits. Employees are billed by HPS once a month so they spend less time figuring out their health care bills and paying each separately. Their website (www.hps.md) also contains a provider search as well as billing and transaction history.

Summary of Benefits & Coverage

The full Summary of Benefits and Coverage explains how the plan distributes costs for covered health care services. This summary can be found through Auxiant or Human Resources. It is also provided in the open enrollment packet each year.

Surviving Spouse & Dependent Children Health Insurance Continuation

The City believes that the benefits discussed under Wisconsin Statutes §66.0137 (municipalities are required to contribute towards the health insurance premiums for fire fighters and continue to pay those premiums for the spouse and/or dependent children of a fire fighter who dies in the line of duty) should be extended to the surviving spouse and dependent children of all City employees who die in the line of duty. Therefore, the City provides the following benefits should this occur:

- 1) The City will continue to pay the premiums for a surviving spouse until the spouse remarries or reaches age 65.
- 2) The City will continue to pay the premiums for a dependent child until the child reaches the age of 18 unless the child is a full-time student in secondary school OR a full-time or part-time student in an accredited college or university and has not reached the end of the calendar year in which he/she turns 27.

Prescription Drug Coverage

The City of Fond du Lac currently contracts with OptumRx for all prescription coverage. OptumRx specializes in the delivery, clinical management and affordability of prescription medications and allows users to view their prescriptions on their website (www.optumrx.com).

Specific costs can be found in the Summary of Benefits and Coverage provided by Human Resources.

Vision Discount Program

Wisconsin Vision has developed a special discount program that is available to City of Fond du Lac employees and dependents who do not have any vision insurance. This discount plan is good all year and can be used multiple times.

Corporate Care Clinic & Consumer Incentives

The City of Fond du Lac works with FABOH and the Corporate Care Clinic to provide members under the health plan ways to save money. The City's contract with the Corporate Care Clinic has a set list of several common services that are provided to City health plan members at no cost. (The list includes new patient visits, established patient visits, preventative visits, and disease management, with different levels based on care needed and the age of the patient.) There are other services provided that will be covered by insurance but may be subject to deductible and coinsurance. You can verify what coverage level your visit will likely be set at ahead of time by contacting Human Resources and/or Auxiant.

Teladoc: Another great option for fast, cost-effective, non-urgent care is Teladoc. This popular program provides employees on the City's health plan access to licensed physicians by phone, video, and mobile app 24 hours a day, 7 days a week. All services available through Teladoc are provided to members covered under the City's health plan at no cost.

Consumer Incentives

The City believes that if the health plan is saving money, the employee should be given a portion of those savings to help with the expenses of the visit and this is why Smart Choice MRI and NOVO Health were brought into the City's consumer incentive program.

Smart Choice MRI is an in-network provider where lower deductible costs are incurred for those on the City's health plan since the overall costs are less than the average MRI fee. The same state-of-the-art technology is used as in any other MRI facility and patients can generally schedule a visit more quickly than at a hospital location. The cost savings the City sees on the health plan are shared with the covered employee at a \$200 incentive rate per MRI.

NOVO Health is physician led healthcare where experts in specific care choose to participate at reduced cost while still delivering the best outcome. They do this by designing facilities to provide specific services while controlling cost. Since there is a focus on retail experience as well, patients have reduced stress and anxiety with seamless service and lower re-admission rates. NOVO Health can save health plans an average of 30% for the specialist services they provide which in turn allows the City to incentivize covered employees \$250-\$2,000 depending on the service.

Employee Assistance Program

All City of Fond du Lac employees and their immediate family/household members have the ability to utilize the Employee Assistance Program (EAP) through Agnesian/SSM Health. EAP provides employees with access to confidential and professional assistance or referrals when needed. The City pays for EAP services. Employees may have up to 6 in-person sessions annually with the EAP counseling staff for assessment, counseling, referral and follow-up.

EAP assistance may include:

- Stress on the job
- Stress at home
- Difficulty with parenting
- Juggling schedules caring for elderly parents
- Marriage or relationship concerns
- Alcohol or drug misuse
- Feeling hopeless, depressed or lonely
- An eating or sleeping concern
- A personal or family health crisis
- Death of a family member or friend
- Job loss or career concerns
- Financial or budgetary concerns
- Mounting anger or resentment
- Feeling unmotivated, unhappy or unfulfilled
- Gambling

To take advantage of this program, simply call the Work & Wellness EAP phone number: (800)458-8183.

Dental Insurance

The City of Fond du Lac provides the option for employees to participate in voluntary group dental insurance through Care Plus Dental or Delta Dental of Wisconsin. Since this is a voluntary benefit, the City does not provide anything towards the monthly premium.

Specific costs can be found in the Dental Plan Design provided by Human Resources.

Care Plus Dental Plan

Care Plus benefits are available in-network only at 1 of 14 Dental Associates' clinic locations. There is a \$1,250 annual maximum associated with Care Plus and a \$0 deductible. View the plan design summary and supporting documents for more information.

Delta Dental & Vision Discount Plan

Delta Dental benefits are the same for in-network and out-of-network dentists; however, out-of-network dentists will charge above and beyond Usual & Customary. There is a \$1,000 maximum associated with Delta Dental and a \$25/\$75 deductible depending on the plan. View the plan design summary and supporting documents for more information.

Flexible Spending Accounts

The City offers a Flexible Spending Account (FSA) plan that is administered by Auxiant. These accounts give employees the benefit of allocating money on a pre-tax basis to reimburse out-of-pocket medical and dependent care expenses. Employees do not need to participate in the City's health insurance plan in order to participate in the FSA. Also, employees who wish to participate must enroll each plan year as there is no automatic renewal process.

How it Works

Contributions are deducted in equal amounts from each paycheck, pre-tax, throughout the year. Upon enrolling, employees will immediately be able to use their total elected amount to pay for eligible medical expenses but will only be able to use what has been deducted from their paycheck for dependent care expenses. Employees can submit claims for reimbursement online or via mail. A copy of the EOB (Explanation of Benefits) or itemized receipt is necessary to verify expenses and validate reimbursement.

The Process

For this example, an employee visits their healthcare provider and receives the EOB in the mail. The employee must then submit a claim reimbursement form with a copy of the EOB to Auxiant's Flexible Spending department. (If the employee elected automatic rollover for their claims, they will not need to submit a reimbursement form or copy of the EOB. These claims will automatically be reimbursed to you.) Auxiant will then reimburse via direct deposit or paper check, dependent upon what the employee elected during open enrollment.

Deadlines

The FSA is a "use it or lose it" policy. All claims for reimbursement must be accrued between January 1st of the plan year and March 15th of the following year. All reimbursements must be submitted by June 13th of the following year.

Medical Expenses

Qualified medical expenses are the costs of diagnosis, cure, mitigation, treatment, or prevention of disease, and the costs for treatments affecting any part or function of the body. These expenses include payments for legal medical services rendered by physicians, surgeons, dentists, and other medical practitioners and include the costs of equipment, supplies, and diagnostic devices needed for these purposes. They also include the amounts you pay for transportation to get medical care. They do not include expenses that are merely beneficial to general health such as vitamins or gym memberships. A complete list of eligible expenses to provide some general guidance can be provided. Additional information is available from the IRS website.

The maximum election allowed for medical expenses is determined annually by the IRS.

Dependent Care Expenses

Dependent care expenses are childcare costs as well as before-school and/or after-school care, as long as the child is under the age of 13.

The maximum election allowed for dependent care expenses is determined annually by the IRS.

Life Insurance

The City of Fond du Lac is currently contracted with The Hartford to provide term life insurance and the opportunity for employees to purchase additional insurance such as additional life insurance and, in some cases, optional long-term disability insurance.

Basic & Accidental Death and Dismemberment

The City provides, at no cost to the employee, basic life and AD&D in an amount equal to 1 times your annual earnings to a maximum of \$100,000 for non-exempt employees or 1.5 times your annual earnings to a maximum of \$150,000 for exempt employees. Life insurance pays the employee's beneficiary a benefit if they die while covered.

Accidental Death and Dismemberment (AD&D) insurance provides benefits due to certain injuries or death from an accident. The covered injuries or death can occur up to 365 days after that accident and the insurance pays:

- 100% of the amount of coverage purchased in the event of accidental loss of life, two limbs, the sight of both eyes, one limb and the sight of one eye, or speech and hearing in both ears or quadriplegia.
- 75% for paraplegia or triplegia.
- 50% for accidental loss of one limb, sight of one eye, or speech or hearing in both ears or hemiplegia.
- 25% for accidental loss of thumb and index finger of the same hand or uniplegia.

The total benefit for all losses due to the same accident will not be more than 100% of the coverage purchased.

The City also provides, at no cost to the employee, dependent basic life insurance in the amount of \$10,000 for their spouse and \$5,000 for each child. Children must be unmarried and at least 15 days old but not yet 19 years old. Unmarried children over 19 years of age may be covered if disabled and primarily dependent upon the employee for financial support. Children at least 15 days old but not yet 6 months old are limited to a reduced benefit of \$250.

Optional Additional Employee, Spouse, and Child Coverage

Supplemental life and AD&D insurance follows the same guidelines but allows the employee to elect more coverage as long as they pay for the premiums of said additional coverage. This must be purchased within 31 days of hire or change in family status.

Employees can purchase supplemental life and AD&D insurance for themselves in increments of \$10,000 with a maximum no higher than 5 times their annual earnings or \$500,000. Supplemental life and AD&D insurance may also be purchased for an employee's spouse, so long as the employee elected additional coverage for themselves. This comes in increments of \$5,000 to a maximum of \$250,000 but cannot exceed 50% of the amount of the employee's coverage. Spouse supplemental insurance cannot be elected if they are in active full-time military service or are already covered under an employee in this policy. Child supplemental life and AD&D insurance can also be purchased in increments of \$5,000 to a maximum of \$10,000. Please see the benefit summary for more information.

Optional Long-Term Disability

Long-term disability insurance pays the employee a portion of their earnings if they miss time at work because of a disabling illness or injury. Employees can purchase this coverage for a benefit of 60% of their earnings to a monthly maximum of \$5,000. The premiums are based on age and salary, and the coverage must be elected within 31 days of hire, change in family status, or during the annual open enrollment period. Employees purchasing coverage after the initial 31 days of hire may need to complete The Hartford's Evidence of Insurability process. Union members are not able to purchase long-term disability insurance.

Retirement Savings & Deferred Compensation

Wisconsin Retirement System

The Department of Employee Trust Funds (ETF) administers the Wisconsin Retirement System (WRS) through the City of Fond du Lac as well as most government employers throughout Wisconsin. The WRS is a hybrid defined benefit plan containing elements of both a 401(k) or defined contribution plan and a defined benefit plan. This public pension plan is nearly 100% funded due to fiscal discipline, unique plan design and robust governance. This benefit is an automatic employee and employer contribution into a retirement savings account where it can accrue interest until withdrawn. There are withdrawal stipulations if the retiree is not yet at the required WRS age. More information can be found on the ETF website (www.etf.wi.gov) or through Human Resources.

ICMA-RC 457, IRA, & RHS Plans

ICMA-RC is a non-profit independent financial services corporation that focuses on providing retirement plans for close to a million public sector participant accounts and approximately 9,000 retirement plans. The City works with ICMA-RC to help employees voluntarily contribute more into a 457 or IRA Plan for retirement savings beyond WRS. All of these contributions would be direct from payroll to assist with the process and can be changed at any time.

457 Deferred Compensation Plan

A 457 Deferred Compensation Plan uses pre-tax contributions to help save for retirement. This plan has taxable withdrawals that must occur after separation. More information can be found on the ICMA-RC website or through Human Resources.

Roth IRA Plan

A Roth IRA Plan uses after-tax contributions to help save for retirement. This plan has tax-free withdrawals and allows you to withdraw your contributions anytime without penalties. More information can be found on the ICMA-RC website or through Human Resources.

RHS Plan

A Retirement Health Savings Plan is used by the City of Fond du Lac for various purposes. This is not a plan that employees can contribute towards. More information can be found on the ICMA-RC website or through Human Resources.

Educational Assistance

The City of Fond du Lac encourages their employees to increase their education and qualifications to perform their job and prepare for advancement in their service to the City. There must be a personal commitment and investment from the employee to show they are willing to retain knowledge and obtain skills they would be gaining from this extra education. If an employee is interested in educational assistance, they should discuss it with their supervisor and will be led in the right direction.

Conditions

Employees who are eligible for educational assistance must enter into an agreement with the City covering terms and conditions for receiving education assistance. The City reserves the right to determine appropriate terms and conditions for an employee to receive assistance.

Tuition Reimbursement

The City will reimburse an employee, with which they have formed an agreement, according to the schedule shown below. It is the employee's responsibility to provide proof of completion of the course and the grade earned:

- For a grade of A earned – 100% of tuition to be covered
- For a grade of B earned – 75% of tuition to be covered
- For a grade of C earned – 50% tuition to be covered

There will be no reimbursement for a grade of D or lower. There is no reimbursement for books, supplies or mileage.

If the employee would leave employment with the City of Fond du Lac within three years, the tuition reimbursement would need to be repaid to the City of Fond du Lac based on the following rates:

- 0 to 12 months – 100%
- 12 to 24 months – 66%
- 24 to 36 months – 33%
- over 36 months – none

The time frame begins at the conclusion of each semester when the grade is provided to the City. If the City lays off (no cause), no payback is required. If the termination is for cause, the City will require payback on a prorated amount spent to date.

