

EMPLOYEE BENEFITS

The following benefits are available to regular employees who work twenty hours or more per week:

Health Insurance - Two health insurance plans are available through Blue Cross Blue Shield of Massachusetts: Network Blue Options v.3 and PPO Blue Options v.3. The Town pays 71% of the premium and the employee pays 29%. Payroll deductions for the health insurance may be taken pre-tax. Effective July 1, 2012 through June 30, 2013 the monthly cost to an employee is \$174.86 for the individual Network Blue Options and \$468.42 for a family plan. For the PPO Blue Options the monthly cost to an employee for an individual plan is \$176.46 and \$472.66 for a family plan. *(Note: New employees are eligible for health insurance 30 days from date of hire.)*

Dental Insurance - A dental plan is available through Altus Dental. The employee pays 100% of the premium. Payroll deductions for the dental insurance may be taken pre-tax. Effective July 1, 2012 through June 30, 2013 the monthly cost to an employee is \$50.55 for an individual plan and \$131.89 for a family plan. *(Note: For new employees dental insurance is effective the first day of the month after 30 days of employment.)*

Life Insurance - Term life insurance is available through Boston Mutual Life Insurance Company. The Town will pay 50% of the monthly premium of \$8.35 for the basic \$5000 life insurance policy. Additional term life insurance and dependent life coverage is available with the employee paying the whole premium. *(Note: For new employees life insurance is effective the first day of the month after 30 days of employment.)*

Flexible Spending Accounts – This program, administered by Cafeteria Plan Advisors Inc, allows employees to set aside a certain amount of income on a pre-tax basis to pay for dependent care (day care and elder care) and out-of-pocket medical expenses. The Federal Government limits employee contributions to a Dependent Care Account to \$5000 per year. The Town limits employee contributions to a Medical Reimbursement Account to \$5000 per year.

Paid Time Off* - An employee accrues one day per month of sick leave and receives eleven paid holidays and two floating holidays per year. Paid vacation shall accrue at the rate of 5/6 days per month for the remaining portion of the calendar year in which the employee is hired. Thereafter, vacation will be advanced to an employee on January 1 for the entire year. Two weeks with pay will be advanced to an employee beginning January 1 after their employment. Additional vacation time is granted after completion of five, ten and twenty years of continuous service. For paid time off, a day is calculated by dividing the hours worked per week by five.

*Paid time off for positions covered by union contracts may vary. Exempt employees are eligible for one more additional week of vacation than described above.

The following benefits are available to all regular employees (full and part time):

Deferred Compensation Plan - A pre-tax 457 retirement savings plan is available through ICMA Retirement Corporation.

Credit Union - Savings accounts and loans are available through the Credit Union. Payroll deductions may be deposited to a savings account or to pay off a loan.

Direct Deposit - Payroll checks are issued bi-weekly and the Town encourages payroll checks to be electronically deposited into an account at any bank.

Sick Leave Bank - An employee may choose to join the Sick Leave Bank to protect against loss of income due to long term illness or disability.

If you have any questions about employee benefits, contact the Human Resources Administrator, Carol Roberts, at (781) 942-9033 or personnel@ci.reading.ma.us

Retirement

Membership in the Massachusetts contributory retirement system is mandatory for a regular employee who works 1,690 hours or more per year, which is considered full-time by the Reading Retirement Board. Payroll deductions are at 9 % of payroll unless the employee is transferring from another system. An additional 2 % is deducted for earnings over \$30,000. There is no deduction for the social security tax. The employee will have a Medicare tax of 1.45% deducted from payroll and could be Medicare eligible at age 65, if he/she meets the requirements of the Social Security Administration.

For part-time employees who work less than 1,690 hours per year the Town has adopted a 457 Plan under the Internal Revenue Codes. This means that 7.5% of your gross salary will be deferred and invested in an account in your name at ICMA Retirement Corporation. ICMA-RC is a not-for-profit corporation founded by public service employees in 1972 with the help of the International City/County Management Association and a grant from the Ford Foundation. ICMA-RC became the first organization to offer a nationally available deferred compensation retirement program for public sector employees. Your deferrals will be invested in an account in your name in the Vantage Trust PLUS Fund at ICMA-RC. Employees will not have a social security deduction. All employees are subject to the 1.45 % Medicare tax and could be Medicare eligible at age 65 if he/she meet the requirements of the Social Security Administration.

For more information about the Massachusetts contributory system, contact the Retirement Board Administrator, Colleen Loughlin, at (781) 942-9007 or cloughlin@ci.reading.ma.us