Kentucky Municipal Energy Agency

Employee Benefits Plan

04/01/2018

# Health Insurance Overview

Plan – Anthem Blue Access PPO Plan 500/20%/6000 (Contract Code 2T89)

1. Single Health Insurance – Available on the first day of the month following employees’ hire date for full time employees.

* KyMEA Employee Premium Contribution – 99% contribution plus 1% of the Single Health Insurance premium grossed up for taxes (25%) to be applied towards a gift card for employee medical expenses.

1. Family Health Insurance – Available on the first day of the month following employees’ hire date for full time employees. Available for dependents through the end of the calendar month in which the 26th birthday occurs.

* KyMEA Additional Family Premium Contribution – 75%

1. Health Insurance Waiver – Employees and their family are permitted to waive health insurance coverage so long as the waiving of coverage does not prohibit KyMEA’s ability to offer group health insurance coverage due to a lack of participants.

* Employee is required to sign a waiver declining coverage and offer proof of comparable coverage elsewhere.
* For any employee or eligible family member, KyMEA will share the premium savings it will realize 50/50 as straight compensation at the end of each month, payable during the next available pay period.

# Dental Insurance Overview

Plan – Anthem Dental Family (Contract Code 25JE)

1. Single Dental Insurance – Available on the first day of the month following employees’ hire date for full time employees.

* KyMEA Employee Premium Contribution – 100%.

1. Family Dental Insurance – Available on the first day of the month following employees’ hire date for full time employees. Available for dependents through the end of the calendar month in which the 26th birthday occurs.

* KyMEA Additional Family Premium Contribution – 75%.

# Vision Insurance Overview

Plan – Anthem Vision Family (Contract Code 0RKV)

1. Single Vision Insurance – Available on the first day of the month following employees’ hire date for full time employees.

* KyMEA Employee Premium Contribution – 100%.

1. Family Vision Insurance – Available on the first day of the month following employees’ hire date for full time employees. Available for dependents through the end of the calendar month in which the 26th birthday occurs.

* KyMEA Additional Family Premium Contribution – 75%.

# Basic Group Life Insurance

Plan – Anthem Basic Life & AD&D.

1. Single Basic Life & AD&D – Available on the first day of the month following employees’ hire date for full time employees.
2. Coverage Level - $30,000.

* KyMEA Employee Premium Contribution – 100%.

# Individual Life and AD&D Insurance (Voluntary)

In the absence of a group plan, Kentucky Municipal Energy Agency provides employees with an individual life and accidental death and dismemberment policy for insurable employees. In the event employees are uninsurable, KyMEA is under no obligation to provide individual Life and AD&D Insurance.

1. Single Individual Life & AD&D – Available on the first day of the month following employees’ hire date for full time employees - subject to employee insurability.
2. Coverage Level – Benefit is equal to three times the employee’s salary up to a maximum of $500,000. Minimum coverage is $100,000.
3. Premium Guaranteed Term Period – To social security normal retirement age.

* KyMEA Employee Premium Contribution – 100%.

# Individual Long-Term Disability Insurance (Voluntary)

In the absence of a group plan, Kentucky Municipal Energy Agency provides employees with an individual long-term disability policy for insurable employees. In the event employees are uninsurable, KyMEA is under no obligation to provide individual Long-Term Disability Insurance.

1. Single Individual Disability Insurance – Available on the first day of the month following employees’ hire date for full time employees - subject to employee insurability.
2. Coverage Level – Benefit is equal to 60% of the employee’s after-tax salary with COLA Rider.
3. Waiting Period – 90 days.
4. Maximum Benefit Period – To social security normal retirement age.

* KyMEA Employee Premium Contribution – 100%.

# Retirement

Retirement benefits are funded by employee contributions to a 457 plan that are deducted from an employee’s wages and by employer contributions to a 401(a) plan paid by Kentucky Municipal Energy Agency.

1. Employees contribute a percentage of gross wages or a fixed amount as chosen by the employee. 457 plan offers both pre-tax traditional and post-tax Roth options.
2. Kentucky Municipal Energy Agency’s contribution to 401(a) plan is 10% of base wages each pay period.
3. To be eligible for the KyMEA 401(a) contribution, employee is required to contribute a minimum of 3% to the 457 plan each pay period.

# Personal Leave Accrual

All regular, full time employees earn personal leave with pay as follows:

1 – 5 years of service 2 weeks

6 - 10 years of service 3 weeks

11 – 20 years of service 4 weeks

21 – 25 years of service 5 weeks

Employees shall use all their personal leave on or before December 31 of any calendar year with the exception that employees may carry up to 400 hours personal leave into the following calendar year. Credit for past years of service is possible for new hires at the discretion of the President and CEO.

# Sick Accrual

All regular, full time employees shall earn eight (8) hours of paid sick leave monthly. Any unused and accumulated sick leave may be carried over to the following calendar year. Upon retirement, any accumulated sick leave after that is payable to the employee at one half of his/her current hourly rate of pay or they may choose to have the balance transferred to deferred compensation (401a or 457 plan) at their current hourly rate of pay. If an employee terminates, any accumulated sick leave is forfeited.

# Paid Holidays

All regular, full time employees are granted (11) paid holidays annually.

* New Year’s Day
* Memorial Day
* Independence Day
* Labor Day
* Thanksgiving Day
* Day after Thanksgiving
* Christmas Eve
* Christmas Day
* Three (3) Personal Holidays to use at employee discretion.

# Bereavement Leave

Leave (paid) up to 3 working days in the event of the death of an immediate family member.

# Recreation & Social Activities

Various holiday and KyMEA activities.

# Fitness Facility & Wellness Program

On-site exercise facility.

# Employee Achievement Awards

An employee achievement award is an item of tangible personal property (not cash) for length-of-service. The following requirements must be met for an achievement award to be excludable for tax purposes:

* Must be given for length-of-service, and
* Must be awarded as part of a meaningful presentation, and
* Cannot be disguised wages, or made under conditions and circumstances that create a significant likelihood that it is disguised wages.

The amount of an award that is excludable depends on whether it is considered qualified. A plan is a qualified plan award if it meets the tests below:

* The award is made under an established written plan, and
* The plan does not discriminate in favor of highly compensated employees
* The average cost of all employee achievement awards (both qualified and nonqualified awards for length of service) made by the employer during a single year does not exceed $400.

# Worker’s Compensation Insurance

All employees are covered for work related medical expenses incurred as a result of on-the-job illness and/or injury as provided by state law.

# Flexible Spending Accounts (FSA) and Dependent Care Options

Potential Authorized Future Benefit – Program not offered at this time.

# Employee Assistance Program (EAP)

Potential Authorized Future Benefit – Program not offered at this time.

# Tuition Reimbursement Program

Potential Authorized Future Benefit – Program not offered at this time.

**\*NOTE:** **This summary is a general description of employee benefits offered by KyMEA as of April 1, 2018. This description is expressly subject to the specific terms of each benefit as contained in the applicable benefit contract, plan document or Kentucky Municipal Energy Agency board policy. All employee benefits are subject to change and/or elimination at any time by operation of Federal or State laws or regulations, action of the Kentucky Municipal Energy Agency board, or change in the third party contracted with to provide a particular employee benefit or in the benefit contract offered by a particular provider. Listing of the above employee benefits in no way obligates Kentucky Municipal Energy Agency to continue providing, in whole or part, any particular employee benefit in the future.**