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**Binghamton-Johnson City
JOINT SEWAGE BOARD**



George Kolba, Jr.
Stephen Andrew
Bruce King

**POLICIES
AND
BENEFITS
FOR
SALARIED
AND
MANAGEMENT
STAFF**

as amended effective:

November 10, 2021

(including January 1, 2013 Restatement with Amendments effective January 1, 2019 and November 10, 2021)

Binghamton -Johnson City Joint Sewage Treatment Facilities
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Binghamton-Johnson City Joint Sewage Board
Policies and Benefits for Salaried/Management Staff

(as in effect: November 10, 2021 [January 1, 2013 restatement + November 2, 2018 and November 9, 2021 amendments])

INTRODUCTION

The Joint Sewage Board (the “Board”) values and appreciates the vital roles that the salaried and management staff of the Binghamton-Johnson City Joint Sewage Treatment Facilities (the "Plant") fulfill in carrying-out and directing the day-to-day operations of the Plant to meet our public health and environmental protection mission. The Board believes that it should establish good, solid, and fair policies and benefits that are accurately memorialized in writing and communicated clearly to affected employees. Although the Board, as employer, has the responsibility for deciding on, implementing, interpreting, and carrying-out these policies and providing these benefits, it welcomes input and suggestions/requests from salaried and management staff concerning policies and benefits and intends to give fair consideration to such input in making future updates and revisions to this statement of policies and benefits.

Please keep in mind that this document does not constitute a contract. It is but a "snapshot" description of what these policies and benefits are at the time when this document’s provisions were approved. Because the Board reserves the right to make future changes in policies and benefits, this statement of policies and benefits does not create “vested rights” to future benefits not yet earned nor can this document be interpreted as a guaranty of continued employment. Additionally, the fact that a given policy or benefit exists or has existed for a period of time does not give rise to a binding “past practice” that obligates the Board to continue a given policy or benefit item indefinitely into the future. As noted above, and except as otherwise required by applicable law, the Board reserves the right to add to, change, or end any of the policies and benefit items described below in the future, effective when appropriate notice has been given to affected salaried and management staff personnel. Nevertheless, unless you are informed otherwise, these policies and benefit items will continue until further notice. For its part, the Board intends to review this policy and benefit statement at least annually, and it reserves the right to add to, change, and/or discontinue policies and/or benefits whenever in the Board’s judgment it is necessary to do so, whether yearly or at some other time. As stated above, the Board welcomes input and suggestions/requests from salaried and management staff concerning policies and benefits and intends to give fair consideration to such input in making future updates and revisions to this statement of policies and benefits.

Further, the fact that the Board may adopt or may have adopted a different set of policies and benefits with respect to other groups of employees (for example, groups of collectively-bargained employees) does not constitute a basis upon which such other policies and benefits are to be construed as being applicable to salaried and management staff employees of the Plant.

Accordingly, the Board makes the following policies applicable and benefit items available to the salaried and management staff employees of the Plant effective as of November 10, 2021 [January 1, 2013 Restatement plus November 2, 2018 and November 9, 2021 Amendments]. Any and all prior policy and benefit statements are hereby replaced to the extent inconsistent with this document.

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Policies

1. Time Recording

- For payroll purposes under the Board's payroll system (and given unique reporting requirements necessary to satisfy the rules of the New York State Employees' Retirement System), time worked by salaried and management staff employees will be reported on payroll sheets as "8 hours" per day worked unless the day or any part of it is a holiday or is claimed as vacation, sick leave or personal leave.
- The Superintendent will maintain a record of actual hours worked by salaried and management staff personnel.

2. Payroll Period and Pay Day

- Employees of the Joint Sewage Board are paid biweekly via the payroll system of the Board. A schedule of payroll periods for the year will be made available at or before the start of the year. Generally, payroll periods begin at 11:00 p.m. on alternate Friday nights and continue for 14 consecutive days until 10:59 p.m. on the Friday night which is the end of the payroll period.
- Paychecks are distributed on the Friday after the payroll period ends, but in the event a pay day is a designated holiday, paychecks will be distributed on the work day prior to the holiday.
- Direct deposit paycheck service is available by application made through the Plant Office in accordance with the Board's payroll procedures.

3. Maintaining Supervisory and/or Exempt Status

- Supervisory status must be maintained by a salaried/management supervisor refraining from performing the work tasks or functions of his or her supervised employees during more than 20% of the supervisor's time, measured on a weekly basis. Records shall be maintained by each supervisor on a weekly basis and submitted to the Superintendent on at least a monthly basis.

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4. Performance Review, Continued Employment, and Salary/Benefit Reviews.

- The Board maintains hiring authority with respect to the Superintendent. The Board measures the job performance of the Superintendent based upon (i) Plant performance (other than portions of the Plant under construction which are not under the Superintendent's direction and control) and (ii) agreed-upon objectives developed jointly by the Superintendent and the Board. The Board will review the job performance of the Superintendent on an ongoing basis. As with any employee, continued employment is based on continued satisfactory job performance. The Board will also periodically review the salary and benefits of the Superintendent, taking demonstrated job performance into account, and taking such action as it determines appropriate.

- The Board has delegated hiring authority with respect to all other Plant positions to the Superintendent. The Superintendent will review the job performance of all subordinate salaried and management staff employees in writing at least annually based upon (i) performance of the aspect(s) of the Plant over which the employee has authority and control and (ii) agreed-upon objectives developed jointly by the employee and the Superintendent. A copy of each written evaluation will be maintained in the personnel file of the employee reviewed. Continued employment is based on continued satisfactory job performance as measured by the Superintendent after review with and consent by the Board. The Superintendent will also periodically review the salary and benefits of all subordinate salaried and management staff employees, making recommendations to the Board regarding salary and benefit adjustments taking demonstrated job performance into account. The Board will review and consider such recommendations, taking such action as it determines appropriate.

5. Accuracy of Documentation and Reports.

- The Plant performs a critical public health and environmental protection function. All employees are required to accurately and truthfully complete all required log entries, records, and reports. False, misleading, or incomplete information on such documents cannot be tolerated, nor can alteration or destruction of data or related records/documents.

- Each employee of the Plant is hired, in large part, in reliance upon the truth and accuracy of information provided on an employee's employment application form and related documents. False or misleading information on such documents cannot be tolerated.

- A violation of this policy is a serious matter and can result in disciplinary action being taken against an employee found to have violated it, up to and including termination of employment.

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6. Policy Against Substance Abuse; Drug & Alcohol Testing Program.

- Given the essential mission that the Plant performs, and given the dangers inherent in the workplace, **no employee can be permitted to be present on Plant premises when impaired by or under the influence of alcohol or drugs**, whether legal or not and whether prescribed or not. This policy is also meant to protect the health and well-being of each employee. The requirements of this policy are in addition to any federal and state laws as well as federal and state drug and alcohol testing requirements.
- Further, the Board is contractually-bound to comply with the City of Binghamton's Drug & Alcohol Policy in effect as of January 1, 2002, a copy of which shall be kept on file by the Superintendent and will be available for review by employees upon request. This Policy requires, among other things, random drug testing and alcohol testing of all Plant employees, including salaried and management staff employees, as well as testing based on reasonable suspicion and post-accident testing.
- The Superintendent is required to investigate each report that a salaried or management staff employee is on Plant premises impaired by or under the influence of alcohol and/or drugs. Based upon investigation and/or observation corroborating such report in any way, the Superintendent shall initiate reasonable suspicion drug testing and/or alcohol testing, ordering the identified person to submit to such testing and requiring such person to remain on Plant premises and not leave the Plant location thereafter except for testing. In like manner, if a report is made that the Superintendent is on Plant premises impaired by or under the influence of alcohol and/or drugs, the Board Chairman is to be contacted immediately to investigate and initiate reasonable suspicion drug and/or alcohol testing if the report is corroborated in any way.
- Any salaried or management staff employee involved in an accident of any kind on Plant premises or operating Plant machinery or vehicles off Plant premises shall be required to submit to post-accident drug testing and alcohol testing.
- Any salaried or management staff employee ordered to participate in drug testing and/or alcohol testing who refuses to do so shall be deemed to have failed the test and shall be removed from employment for an automatic thirty (30) calendar day suspension without pay or use of accumulated leave credits in addition to any other appropriate discipline up to and including termination of employment. Provided his or her employment is continued, any subsequent refusal by the same employee to participate in drug testing and/or alcohol testing shall be addressed by progressive discipline up to and including termination of employment.
- If, after being ordered to submit to drug testing and/or alcohol testing (whether random, reasonable suspicion, or post-accident), a salaried or management staff employee leaves the Plant other than for testing, such action shall be deemed to be a "positive test," and such conduct shall subject the employee to discipline up to and including termination of employment.

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- Any salaried or management staff employee who tests “positive” for drugs and/or alcohol shall, upon request and provided his or her employment is continued, be permitted to use any/all of his or her accumulated leave credits (for example, vacation, sick, and personal leave credits) to cover absences directly related to obtaining evaluation, treatment, and counseling for drug abuse and/or alcohol abuse.

7. Use of Privately-Owned Vehicles in the Conduct of Plant Business and Reimbursement of Expenses Incurred in the Line of Duty.

- Generally, Plant vehicles should be used for carrying-out Plant business, and advance arrangements should be made for payment of any anticipated Plant expenses that may be incurred on the Plant’s behalf in the line of duty.
- The Board realizes that there may be unusual circumstances, however, when it becomes necessary for a salaried or management staff employee to use his or her privately-owned vehicle to conduct Plant business or incur an expense on behalf of the Plant in the line of duty. In such cases, the employee should obtain prior authorization from the Superintendent (or the Board, in the case of expenses to be incurred by the Superintendent), and the employee should maintain accurate documentation regarding mileage driven and expenses incurred (including receipts) and promptly submit a claim for reimbursement, accompanied by the supporting documentation, upon return to the Plant. Mileage driven in a privately-owned vehicle will be reimbursed at the IRS-determined "business mileage" rate (currently \$0.56 per mile as of January 1, 2021).
- In order to comply with IRS regulations, claims for reimbursement must be submitted not later than 60 days after an expense is incurred or travel by privately-owned vehicle for the conduct of Plant business takes place. In cases in which an advance toward expenses is provided and a settlement report (with refund of unspent remainder, if applicable) or reimbursement claim is not submitted by the 60th day after the business takes place, the entire amount of the advance becomes reportable as income to the employee.

8. Confidentiality Policy as to Personnel Information and Proprietary Data

- During the course of their employment, salaried and management staff employees of the Plant will come into possession of and need to use confidential personnel and protected health information as to other employees of the Plant, confidential or proprietary information that is not generally available to the public, trade secrets, and other knowledge, know-how, information, documents or materials owned, developed, or possessed by the Plant, whether in tangible or intangible form. For purposes of this document, the term "Protected Information" will be used to refer collectively to such information and documentation regarding Plant personnel and/or the design, operation,

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and maintenance of the Plant as is not made available by or on behalf of the Board to the general public without restriction.

- Salaried and management staff employees are expected to improve the Plant and its operations/maintenance and can be expected to contribute to Protected Information of the Plant during the course of their employment. Given that employees are paid for their services, all documents, technology, process improvements, innovations, and/or inventions conceived or made (whether individually or jointly with others) while employed by the Plant belong to the Plant, and the Board retains the exclusive rights, title and interest in any and all patents and copyrights that may be associated with the work product of Plant employees.
- Except as authorized or directed by the Superintendent or the Board, employees shall not use Protected Information other than in the line of duty and may not disclose Protected Information to third parties.
- A violation of this policy is a serious matter and can result in disciplinary action being taken against an employee found to have violated it, up to and including termination of employment.

9. Leaves of Absence Under the *Family and Medical Leave Act* (“FMLA”)

- Leave under the federal *Family and Medical Leave Act* (FMLA) shall be granted in accordance with applicable law and regulations. For additional information, see the U.S. Department of Labor’s FMLA Poster (Publication 1420) which the Board has adopted as its statement of policy on family and medical leave.

10. Re-employment Rights of Employees Returning from Active Duty Military Service

- The re-employment rights of employees returning from active duty military service will be governed by applicable laws and regulations.

11. Policy as to Safeguarding Plant Materials and Equipment; Duty to Immediately Return Same to Plant upon Request, Separation from Service, or Termination of Employment

- During the course of their employment, salaried and management staff employees of the Plant may be provided with property of the Plant including, but not limited to, keys, phones/pagers/radios, portable computers, tools, manuals, and other items for use by them in carrying-out their duties. A receipt list of such items will be maintained in each such employee's personnel file and shall be kept up-to-date.

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- Additionally, employees will have access to documents, drawings, software and data that are property of the Plant for use in the line of duty.
- All employees are expected to safeguard and take reasonable care of all property of the Plant in their custody or under their control. Property, tools and equipment of the Plant shall not be removed from Plant premises except for the purpose of conducting business of the Plant (including, when specifically authorized by the Superintendent or the Board, inter-municipal equipment sharing or equipment loans). Any damage to or loss of property of the Plant is to be reported immediately to the Superintendent (or to the Board, if the damage or loss is to property of the Plant in the custody or under the control of the Superintendent). This is essential in order to comply with any procedures and deadlines established under insurance policies covering such property.
- The Superintendent or the Board may request that any property of the Plant in the custody or under the control of a Plant employee be returned immediately or produced immediately for inspection/inventory/appraisal/maintenance.
- Upon separation from service or termination of employment for any reason, all Plant employees are required to immediately return to the Plant and surrender any and all property of the Plant in their custody or under their control, including Protected Information, as well as any and all items or materials relating to the business of the Plant (such as documents, manuals, drawings, photographs, software, data, etc., including all copies thereof).

Benefits

1. Clothing Allowance, Rain Gear, and Gloves; Condition of Safety Equipment and Clothing

- A clothing allowance will be furnished to all salaried and management staff employees. Unless otherwise determined by the Board, the clothing allowance will be \$400.00 per year and will be paid at the beginning of each fiscal year (starting January 1st) no later than the second pay day of the year. For a salaried or management staff employee hired (or promoted to a salaried or management staff position from an hourly position) after the start of a calendar year, the clothing allowance shall be prorated based on the number of whole calendar months remaining to be worked in the year and paid as soon as practicable after the employee begins his or her service in the salaried or management staff position.
- The Board shall provide salaried and management staff employees rain gear and gloves as needed in the performance of their duties.
- The Superintendent is responsible for ensuring that all safety equipment, protective

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clothing, and outer garments are serviceable and in good repair.

2. Annual Longevity Service Pay Bonus

- On or about December 1st of each year, a Longevity Service Pay bonus will be paid based on continuous service at the Plant to those active salaried and management staff employees eligible in accordance with the following schedule:

Completed Years of Continuous Service as of <u>November 30th</u>	<u>Longevity Service Pay Bonus</u>
6 to <11 full years	\$ 600.00
11 to <16 full years	800.00
16 to <21 full years	1,000.00
21 to <26 full years	1,200.00
26 or more full years	1,400.00

(Bonus Schedule amended November 9, 2021, effective immediately)

3. A. (Applicable to Employees Hired Before 2013) Vacation with No Reduction in Salary

- Salaried and management staff employees who have completed six calendar months of service since their date of hire shall be entitled to vacation with no reduction in salary as described below. (An individual promoted to a salaried or management staff position from an hourly position shall be entitled to carry forward all accrued vacation time, which time shall thereafter be administered under the policy and procedures set forth below).

- Vacation time is accrued as follows:

- a) **One half-day** for each full payroll period that the employee works during each year, **up to a maximum of 13 days** in any calendar year, *plus*
- b) On each anniversary of a salaried staff employee's hire date, **one full day** for each year of continuous service completed, *up to a maximum of seven days* at the beginning of the employee's eighth year of service.

- Provided a salaried or management staff employee has completed six calendar months of service since his or her date of hire, vacation time is available for use upon accrual in accordance with the procedures described below.

- Additionally, when a salaried or management staff employee completes four years of

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continuous service at the Plant, he or she is entitled to receive advance credit for projected vacation time through the end of the current calendar year immediately and, thereafter, shall be entitled to receive advance credit for projected annual vacation time on January 1st of each year, which credit shall immediately be available for use in accordance with the procedures described below.

- Vacation requests will be submitted to the Superintendent and approved by the Superintendent (or, in the case of the Superintendent, submitted to the Board's Chairman for approval by the Board's Executive Committee) based on (i) the operational needs of the Plant, (ii) a first-come/first-served basis, and (iii) seniority of service with the Plant.
- In 2013 and 2014, a salaried or management staff employee continuing in the active employ of the Board may elect to "sell back" and receive cash payment for up to seven and one-half (7½) days of accumulated unused vacation leave credits at the end of the calendar year, in increments of not less than one-half (½) day. Payment shall be at the employee's then-current weekly salary as of the end of the calendar year in which sold and shall be treated as additional compensation for income tax purposes. Beginning in 2015 and subsequent years, a salaried or management staff employee may instead elect to "sell back" and receive cash payment for up to ten (10) days accumulated unused vacation leave credits in like manner.
- At the end of any calendar year, a salaried or management staff employee may elect to carry over up to ten (10) days of accumulated unused/unsold vacation leave credit to the following calendar year, in increments of not less than one-half (½) day.
- A salaried or management staff employee discharged for cause will not be entitled to payment for any vacation leave credit accruals. Upon the death of a salaried or management staff employee, or separation from service other than by discharge for cause, all of the employee's posted vacation shall be paid to the employee, or the employee's estate, as the case may be, computed based on the salaried or management staff employee's then-current weekly salary, which shall be divided by 5, with the result then being multiplied by the number of days (including fractions of days) being paid out.

B. (Applicable to Employees Hired After 2012) Vacation with No Reduction in Salary

- Salaried and management staff who have completed six calendar months of service since their date of hire shall be entitled each year to a vacation with no reduction in salary as described below. (An individual promoted to a salaried or management staff position from an hourly position shall be entitled to carry forward all accrued vacation time, which time shall thereafter be administered under the policies and procedures set forth below).

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- Vacation time is accrued as follows:

Any unauthorized absence and all other time that an employee is absent without pay including, but not limited to, military leave, Workers Compensation leave, disability leave and/or leave under the *Family and Medical Leave Act*, shall not be counted in calculating accrual of vacation leave credit. Vacation leave credits shall be calculated on a calendar year basis (January 1 through December 31) based on the employee's work history during the prior calendar year (for example, an employee's 2012 work history shall be used to calculate vacation leave credits posted January 1, 2013, etc.), as follows:"

- 1) **One-half day** for each biweekly payroll period that the employee worked during the prior calendar year **up to 13 days, plus**
- 2) **An additional full day** for each full year of service completed as of the anniversary of the employee's date of hire occurring in the prior calendar year, **up to a maximum of seven (7) additional days.**

- Vacation leave credits computed under the preceding paragraph will be posted to each employee's vacation leave credit record at the beginning of each calendar year.
- Provided a salaried or management staff employee has completed six calendar months of active employment since his or her date of hire, vacation time is available for use upon posting in accordance with the procedures described below.
- Posted vacation leave credits may not be used in increments of less than one-half day.
- Vacation requests shall be submitted to the Superintendent and approved by the Superintendent (or, in the case of the Superintendent, submitted to the Board's Chairman for approval by the Board's Executive Committee) based on (i) the operational needs of the Facilities, (ii) a first-come/first-served basis, and (iii) seniority of continuous service.
- In 2013 and 2014, a salaried or management staff employee continuing in the active employ of the Board may elect to "sell back" and receive cash payment for up to seven and one-half (7½) days of accumulated unused vacation leave credits at the end of the calendar year, in increments of not less than one-half (½) day. Payment shall be at the employee's then-current weekly salary as of the end of the calendar year in which sold and shall be treated as additional compensation for income tax purposes. Beginning in 2015 and subsequent years, a salaried or management staff employee may instead elect to "sell back" and receive cash payment for up to ten (10) days accumulated unused vacation leave credits in like manner.
- At the end of any calendar year, a salaried or management staff employee may elect to

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carry over up to ten (10) days of accumulated unused/unsold vacation leave credit to the following calendar year, in increments of not less than one-half (½) day.

- A salaried or management staff employee discharged for cause will not be entitled to payment for any vacation leave credit accruals. Upon the death of a salaried or management staff employee, or separation from service other than by discharge for cause, all of the employee's posted vacation shall be paid to the employee, or the employee's estate, as the case may be, computed based on the salaried or management staff employee's then-current weekly salary, which shall be divided by 5, with the result then being multiplied by the number of days (including fractions of days) being paid out.

4. Sick Leave with No Reduction in Salary

- The Board does not want salaried or management staff employees to report for work when they are ill. The basis for this policy is the Board's desire to maximize the safety of the employees themselves (given the hazards inherent in the workplace), and so that salaried and management staff employees will set the best example possible for employees they supervise, as well as minimizing the risk that other employees will contract contagious illnesses from employees attempting to work while sick. ***For this reason, the Board has adopted a very liberal policy of allowing salaried and management staff employees sick leave with no reduction in salary as further described below.***
- Salaried and management staff employees shall accrue one day of sick leave credit at the end of each calendar month of service completed, provided that the employee has been compensated for actually working at least half of the non-holiday work days (Monday through Friday) during such month. (An individual promoted to a salaried or management staff position from an hourly position shall be entitled to transfer his or her accrued/accumulated hours of sick leave time by having them converted from "hours" to "days" – dividing the hours accrued by eight and rounding down to the nearest half-day – which sick leave credit shall thereafter be administered under the policy and procedures set forth below).
- Sick leave credits may be used in half-day increments when a salaried or management staff employee is absent from work (i) due to a non-service-connected illness or disability which renders the employee unable to perform the duties of employment, (ii) because quarantined by Public Health Authorities, or (iii) because the employee must make medical visits for care or treatment of a non-service-connected illness or disability which cannot be scheduled during non-working hours. When absent using sick leave credits, a salaried or management staff employee is deemed to be on "continued employment" for purposes of computing all other benefits associated with his or her employment so that such days of absence are treated and construed in the

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same manner as "days worked" for all other benefit accrual and computation purposes. (In other words, sick leave credits used during a given month do not count as "hours worked" for purposes of determining whether a salaried or management staff employee has been compensated for "actually working" at least half of the non-holiday work days [Monday through Friday] in a given calendar month for purposes of future sick leave credit accrual).

- In the event that a salaried or management staff employee must take sick leave, the employee must notify the Superintendent (or Acting Superintendent, if the Superintendent is absent or is the employee taking sick leave) at least 30 minutes before the employee's customary starting time. If the Superintendent cannot be contacted, a message must be left on the Superintendent's voice-mail or text message service (or that of the Acting Superintendent, if the Superintendent is absent or is the employee taking sick leave). Unless the absence is pre-authorized, the employee must provide notice each day of the absence. Failure to follow these procedures will render the salaried or management staff employee ineligible to use sick leave credits for the absence.
- The Board or Superintendent may require written medical verification of the basis for the absence of a salaried or management staff employee using sick leave credits. In such case, when the employee's doctor releases the salaried or management staff employee to return to work, the Board or Superintendent may require medical verification as to whether the employee is able to return to work with or without restrictions.
- A salaried or management staff employee continuing on the payroll of the Plant at the end of a calendar year may elect to "sell back" and receive cash payment for up to seven (7) days of accumulated unused sick leave credit at the end of the year, payment for which shall be computed based on the salaried staff or management employee's then-current weekly salary, which shall be divided by 5, with the result then being multiplied by the number of days being "sold back." Such payment will be treated as additional compensation for income tax purposes.
- Although sick leave credit can be accumulated without restriction, if the employment of a salaried or management staff employee ends for any reason other than retirement, no additional compensation will be paid to the individual with respect to unused sick leave credit.
- Nevertheless, accumulated sick leave credit can be used for the following:
 - To continue to receive full salary during a disability leave of absence (regardless of whether due to an illness, on-the-job or off-the-job injury or disease, but subject to restrictions applicable under the Workers' Compensation Law and/or Disability Benefits Law [*see items 12 and 13, below*]).

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- For continuation of medical and prescription drug insurance/benefits beyond the maximum 12 weeks afforded under the *Family and Medical Leave Act* [see item 10, below, for a description of the Family and Medical Leave Act continuation provisions] or during other unpaid leaves of absence. Provided that a salaried or management staff employee is continuing to receive full salary by drawing on accumulated sick leave credits and is timely making the required employee premium payments, the Board will continue to contribute the employer's share of the monthly medical and prescription drug insurance/benefit premium. [See item 6, below, for information regarding unpaid leaves of absence.]
 - To make monthly medical and prescription drug insurance/benefit premium payments after retirement [see item 16, below, for a description of Retiree Medical and Prescription Drug Insurance/Benefits and how accumulated sick leave credits are allowed to be used for this purpose].
- If not used as provided above, upon the retirement of a salaried or management staff employee the employee may elect to receive a lump-sum payment for unused sick leave credits in accordance with the following:
- If the employee's employment at the Plant began before 2007, the employee has retired from service at the Plant and has applied for and has been granted a retirement benefit from the New York State Employees' Retirement System, the retiring employee may elect to receive a cash payment of one full day's pay for each two full days of accumulated unused sick leave credit, computed based on the salaried or management staff employee's then-current weekly salary, but in no case may such payment exceed the equivalent of 30 weeks of salary.
 - If the employee's employment at the Plant began on or after January 1, 2007, the employee has retired from service at the Plant and has applied for and has been granted a retirement benefit from the New York State Employees' Retirement System, the retiring employee may elect to receive a cash payment of one full day's pay for each ten full days of accumulated unused sick leave credit, computed based on the salaried staff employee's then-current weekly salary, which shall be divided by 5, with the result multiplied by the number of days to be paid.

5. Other Time Off with No Reduction in Salary

- Three days **personal leave** per year, credited as of January 1st of each year, to be used as needed during the following 12 months, but not during the first three calendar months of a new salaried or management staff employee's service beginning with the first day of the month following the beginning of his or her employment at the Plant. (In the case of a new salaried or management staff employee hired after January 1st in

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any given year, such new employee shall be credited with a prorated allowance of personal leave based on the number of calendar months to be worked during the remainder of that calendar year, rounded down to the nearest half-day, but such personal leave may not be used during the first three calendar months of the new employee's service; in the case of an hourly employee promoted to a salaried or management staff position at any time other than the first day of the calendar year, he or she may carry-forward unused personal leave credit through the remainder of the calendar year for use as described herein). Personal leave is to be used for business which cannot be conducted outside the salaried or management staff employee's scheduled work day, and may not be used in increments of less than one hour.

Requests to use personal leave shall be made at least 24 hours in advance, except in cases of emergency, to the Superintendent (or, in the case of the Superintendent, to the Board's Chairman for approval by the Board's Executive Committee). The salaried or management staff employee may be required to state the nature of the emergency. Personal leave shall not be cumulative and must be used within the calendar year credited. Any personal leave credits remaining unused by a salaried staff employee at the close of business on the last day of the calendar year will expire. Further, if a salaried or management staff employee's employment terminates before the end of the calendar year, any personal leave credits remaining unused at the end of the salaried or management staff employee's active service will expire.

- **Holidays.** All salaried and management staff employees shall be entitled to be absent from work on the following **holidays** with no reduction in salary:

- New Year's Day
- Presidents' Day
- Memorial Day (4th Monday in May, not "traditional" Memorial Day)
- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- "Black Friday" (day after Thanksgiving)
- Christmas (December 25th)

If a holiday falls on a Saturday, then the preceding Friday shall be observed as the holiday. If a holiday falls on a Sunday, then the succeeding Monday shall be observed as the holiday. If a holiday falls within a period of vacation, the salaried or management staff employee shall not be charged vacation time on the holiday.

- **Floating Holidays.** In lieu of Martin Luther King Day and General Election Day, all salaried and management staff employees shall be entitled to be absent from work with no reduction in salary on two Floating Holidays per year. Prior approval must be received from the Superintendent (or, in the case of the Superintendent, the Board's Executive Committee) in order to take a Floating Holiday. Floating Holidays must be

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used in whole-day increments. An employee may not accumulate floating holidays. Any Floating Holiday that remains unused at the close of business on the last day of the calendar year will be cancelled unless on or before the last Plant Office business day during the last full pay period having a pay day in the year, the employee submits an application to have unused Floating Holiday[s] bought back at the employee's current salary at the time of application.

- **Bereavement days** up to five (5) consecutive work days (without loss of vacation, sick, or other leave time credits) in the event of a death of an immediate family member (parent or legal guardian, spouse, child [includes biological, adopted, step- and foster children]) and, provided the salaried or management staff employee has completed six full calendar months since his or her date of hire, up to three (3) consecutive work days (without loss of vacation, sick, or other leave time credits) in the event of a death of an extended family member (grandparent, sibling, grandchild, spouse's parent).

- In the event a salaried or management staff employee is required to perform **jury duty** in a federal court or court under the New York State Office of Court Administration on a scheduled work day, the employee will receive a leave of absence without loss of salary or vacation, sick, other leave time credits or benefit accruals. Nevertheless, payment of salary for days on leave for jury duty will be reduced by the actual gross amount of juror pay received by the employee from either the federal court or state court. If a salaried or management staff employee receives notice to report for jury duty, the employee shall immediately submit a copy of the notice to the Superintendent and the Superintendent shall notify the Board. The Board reserves the right to petition the court for excusal of a salaried or management staff employee from jury duty based on the operational needs of the Plant. When a salaried or management staff employee serving on jury duty is excused from jury duty on any given day and there remain four or more hours left in the employee's customary work day, the employee shall report to the Plant for work.

- In the event a salaried or management staff employee is **subpoenaed** to appear on a scheduled work day before a court, other public body, tribunal, or recorded/transcribed deposition to testify regarding any matter not related to the employee's work and in which the employee is not personally involved as a plaintiff or defendant, the employee will receive a leave of absence without loss of salary or vacation, sick, other leave time credits or benefit accruals. Nevertheless, payment of salary for days on leave for civic duty in response to a subpoena will be reduced by the actual gross amount of witness pay or witness fee the employee may receive for such service. If a salaried or management staff employee receives a subpoena of the type describe above, the employee shall immediately submit a copy of the subpoena to the Superintendent and the Superintendent shall notify the Board.

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6. Unpaid Leaves of Absence

- When approved by the Board or required by law, unpaid leaves of absence are granted to salaried or management staff employees for reasonable periods for the following purposes:
 - illness leave (physical and/or mental), for up to one year
 - prolonged illness in the immediate family (spouse or children [biological, adopted, step- and foster]), for up to three months
 - leave in accordance with the federal *Family and Medical Leave Act* (such leave to be concurrent [i.e., not cumulative] with the illness leaves described above)
 - educational leave, for up to two years
 - military leave (in accordance with applicable law)
- No benefits are provided during unpaid leaves of absence unless expressly stated otherwise in a provision appearing elsewhere in this policy and benefit description document (although a salaried or management staff employee on an approved unpaid leave of absence may use accrued benefit credits during such leave to provide salary continuation and/or continuation of certain benefits) or required by applicable law.

7. Wellness Benefit (*discontinued*)

(Funding eliminated by amendment to proposed 2022 JSB Budget adopted August 10, 2021, effective January 1, 2022)

8. Participation in Pre-Tax Medical / Dependent Care Expense Payment Plans

- Provided the employee meets all eligibility requirements to be covered for medical and prescription drug insurance/benefits, a salaried or management staff employee is entitled to enroll in the available Section 125 Medical Expense Flexible Spending Account (“FSA”) program, Dependent Care FSA program, or both, by making a written election to have his or her salary reduced by a pre-determined amount each payroll, with the reduction amount to be placed, pre-tax, into the applicable FSA[s]. (Eligible employees who elect to receive the medical insurance buy-out described in item 11, below, **are eligible** to enroll in a Section 125 plan). Arrangements are to be made through the Plant Office in accordance with procedures administered by the Board’s FSA Administrative Services Provider: Lifetime Benefit Solutions, Inc., 333 Butternut Drive, Syracuse, New York 13214, toll-free telephone: [800] 356-1029.

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- Money set aside in an employee's Medical Expense FSA may be used to cover qualifying health, medical, prescription, dental, and/or vision care expenses that are not reimbursable through the employee's insurance plan(s). Further details are available from the Board's FSA Administrative Services Provider.
- Money set aside in an employee's Dependent Care FSA may be used to cover eligible day care and nursery school expenses for covered dependents. Further details are available from the Board's FSA Administrative Services Provider.
- To receive reimbursement from an employee's FSA account(s), a claim for reimbursement and proof that the expense was incurred during the current plan year must be submitted to the Board's FSA Administrative Services Provider. In many cases, direct Coordination of Benefits processing can be established between Excellus and the Board's FSA Administrative Services provider. After an employee becomes enrolled in an FSA program, he or she can process certain transactions electronically via e-mail to: <LBS.CustomerService@LifetimeBenefitSolutions.com>, or via the claims-processing website of the Board's FSA Administrative Services Provider at: <<https://www.lifetimebenefitsolutions.com/members/resources>>, toll-free telephone: [800] 327-7130.
- The Plan Administrator shall adjust annual limits for FSAs so as to comply with the *Patient Protection and Affordable Care Act* ("PPACA") as well as any applicable future laws and regulations.

(Plan Administrator designation updated by amendment adopted November 24, 2015, effective January 1, 2016)

9. Educational Courses and Educational Reimbursements

- The Board will pay the full cost of educational programs and courses required in the line of duty for salaried and management staff employees to maintain their licenses, certifications, and accreditations directly related to their job duties. The Board may also direct that salaried or management staff employees attend other educational programs and courses which the Board believes will be of benefit to the Plant. In all such cases, the Board will pay or provide for payment of 100% of the tuition, registration, course/lab fees, and required textbook/materials (as well as either transportation or mileage reimbursement within Broome County and/or necessary travel, meals, and lodging in cases in which travel outside of Broome County and/or an overnight stay away from home is necessary, all such expense reimbursement claims to be submitted as soon as practicable after return from any educational program or course, but in no case later than 60 days after the last day of such program or course, in order to comply with regulations of the Internal Revenue Service as further described in policy item 7, above). The salaried or management staff employee shall be considered "at work" during attendance and travel to/from such educational programs and courses.

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- Additionally, educational reimbursements will be made for educational courses offered by accredited educational institutions or course providers that are of a mutual benefit to the salaried or management staff employee and the Board, as employer, as determined by the Board. Unless otherwise agreed by the Board and employee, such courses shall be taken at times other than "work time". Reimbursement will be provided as follows:
 - 100% of tuition, course/lab fees, and required textbooks/materials provided that the salaried or management staff employee receives an acceptable grade of "B" or better and provided that the employee agrees in writing to remain employed at the Plant for a period of no less than three years after the last course is completed.
 - 65% of tuition, course/lab fees, and required textbooks/materials when the salaried or management staff employee does not qualify for full reimbursement, above, and receives a grade of "pass" in an ungraded "pass/fail" course or "C" or better in a graded course.

10. Medical and Prescription Drug Insurance/Benefits

- The Board shall make available one or more medical and prescription drug insurance/benefit plan(s) to each eligible salaried and management staff employee and their eligible family-member dependents. The Board's Health Plan will govern who the eligible members of an employee's family are for health insurance enrollment/coverage purposes. Coverage may begin on the first day of the month following the employee's first day of employment, provided all eligibility requirements of the plan are met and the requisite forms have been completed and timely submitted in order to begin coverage. Each eligible salaried or management staff employee shall be entitled to elect or change the plan which the employee and his or her eligible family-member dependents will participate in during the open enrollment period prior to the start of each calendar year (or upon becoming eligible for coverage, if employment or eligibility begins after the start of a given calendar year), but all members of any given family unit must participate in and be enrolled under the same plan for the duration of the year. (Upon the occurrence of a "qualified change" in employment or family status, as defined in the *Internal Revenue Code* and/or the terms of the Board's Health Plan, enrollment changes [including new enrollments by eligible salaried or management staff employees and/or their dependents] may be made).
- In no event shall the Board or the Plant be required or obligated to pay or reimburse any portion of any Doctor's bill, hospital bill, prescription bill, x-ray bill, laboratory bill, procedure bill, treatment bill, therapy bill, or any other medical bill or expense which is not related to an on-the-job injury, occupational illness or disease and which is not covered or reimbursed by the medical and prescription drug insurance/benefit plan.
- As legislation and regulations develop, the medical insurance and prescription drug plan

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will be required to be in compliance with the *Patient Protection and Affordable Care Act* (“PPACA”), and the Board may implement plan changes to maintain such compliance as required by applicable law and regulations. As further legislation and regulations become known under the PPACA and/or related New York State legislation, the Board retains the option to implement plan changes in order to maintain Board’s total dollar program costs at the same annual amount as they would have been based on the cost structure in effect at the start of the current calendar year. The Board shall also have the authority to make health insurance plan changes at the start of any future year with the goal of reducing future escalation of health care costs, provided that all plans offered shall be available to all eligible active employees in the Board’s employ.

- The following descriptions are applicable only to the insured portion¹ of the health benefits program (for example, the group hospital, medical/surgical, major medical, and/or prescription drug insurance policies contracted for by the Employer):

- **Annual Deductible Amount** for Medical/Surgical and Major Medical Services/Supplies other than Prescription Drug** (calendar year basis) as listed in the insurer’s policy. (NOTE: the insurance company may revise its annual deductible amount at the start of each calendar year; the information shown below is in effect for the 2021 calendar year).

EXCELLUS SimplyBlue Plus Bronze 4

(medical insurance plan) – when an In-Network provider is used

- \$ 7,000 - per covered person, subject to an **annual maximum** applicable to persons enrolled in a multi-person coverage [Employee and Child(ren), Employee and Spouse, or Family] described below, and further coordinated with a Health Reimbursement Account (HRA) which after the first \$600 per year (for 2021) in covered expenses has been incurred by a patient, provides reimbursement for up to \$6,400.00 for a person enrolled under **Individual** coverage per year (for 2021); or
- \$14,000 - for multiple persons covered by *multi-person coverage* [**Employee and Child(ren), Employee and Spouse, or Family**], further coordinated with a Health Reimbursement Account (HRA) which after the first \$600 per year (for 2021) in covered expenses has been incurred by a patient, provides reimbursement for up to \$12,800.00 for the year (for 2021), collectively, for persons enrolled under a *multi-person coverage* [**Employee and Child(ren), Employee and Spouse, or Family**]. When deductible amounts for the covered persons under the *multi-person coverage* total \$14,000 in the aggregate for a given calendar year (for 2021), then no further deductible amounts will be required for that year with respect to any covered person in the multi-person enrollment [**Employee and Child[ren], Employee and Spouse, or Family**].

Only the balance of a provider’s charges for a medically necessary covered service/supply (other than copayments) not paid by the insurer and which do not exceed the insurer-determined “usual, customary, and reasonable [UCR] amount”

¹ - not applicable to general plan overhead costs or non-insured benefits

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for the covered service/supply count toward meeting the annual deductible (in other words, a provider's charges for copayments, a provider's charges which exceed the UCR amount, and a provider's charges for a medically necessary service/supply that is not covered by the insurer under the insured Major Medical component of the health benefits plan **cannot be counted** toward meeting the annual deductible amount).

- **Copayments** are paid to the provider by or on behalf of the patient with respect to certain services/supplies as listed in the insurer's policy (other than for prescription drugs, which are covered separately, below). Copayments are not counted toward satisfaction of the annual deductible amount, nor do they count against the annual out-of-pocket limit on the amount of Coinsurance cost share payments (*see*, below) a covered person or the covered person's Family may be required to pay.

- If the Employer provides a "high deductible policy" (for example, having deductibles of \$6,000/year per Individual and \$12,000/year per Family or multiple person coverage), the Employer will also establish, fund and provide administration for a **Health Reimbursement Account (HRA)** arrangement to partially offset the remaining deductible after the first \$600/year per individual in deductible medical costs/charges has been paid by the Employee and/or the Employee's dependents.

- **Coinsurance** is a Cost Share Amount Payable by the Patient with respect to Covered Services/Supplies for covered services/supplies as to which a copayment does not apply, to the extent the provider does not accept the payment[s] made by the insurer[s] as payment in full for a covered service or supply. (With respect to such services and supplies covered under the insured Medical/Surgical and/or Major Medical component of the health benefits plan, coinsurance becomes applicable only after the annual deductible is met by the covered person {or person enrolled in a multi-person coverage [Employee and Child(ren), Employee and Spouse, or Family]}).

Once the Annual Deductible Amount has been satisfied by a covered person (or, if applicable, by the covered persons enrolled in a multi-person coverage, on an aggregate basis), there is an annual out-of-pocket maximum limit on the amount of Coinsurance cost share payments a covered person or the covered persons enrolled in a multi-person coverage may be required to pay, as described below.

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- **Annual Out-of-Pocket Maximum on Coinsurance Cost Share Payments After Satisfaction of Deductible** (calendar year basis) as listed in the insurer's policy. *(NOTE: the insurance company may revise its annual Out-of-Pocket Maximum amount at the start of each calendar year; the information shown below is in effect for the 2021 calendar year).*

EXCELLUS SimplyBlue Plus Bronze 4
(medical insurance plan) – when an In-Network provider is used

- for 2021, when an In-Network provider is used for all services, the Annual Out-of-Pocket Maximum is the same amount as the Deductible, above.

- **Additional Amount Payable by Patient if Provider's Charges Exceed Insurer's Maximum "Allowable Amount"**

- no benefits are provided (i.e., the patient is responsible for payment) for any portion of a provider's charges which exceed the insurer's maximum "allowable expense" for a covered service/supply. All additional amounts paid by a patient under this provision **do not count** against the annual maximum limit on the amount of Coinsurance cost share payments a covered person {or person enrolled in a multi-person coverage [Employee and Child(ren), Employee and Spouse, or Family]} may be required to pay.

- **Prescription Drug Copayment** paid to the provider by or on behalf of the patient *(NOTE: the insurance company may revise its annual Prescription Drug Copayment amount at the start of each calendar year; the information shown below is in effect for the 2021 calendar year).*

EXCELLUS SimplyBlue Plus Bronze 4
(medical insurance plan) – when an In-Network pharmacy provider is used

- for 2021,
 - Preventive drugs are not subject to the deductible; they are subject to the applicable copay or coinsurance, as well as the Plan's formulary and tier status.
 - Non-preventive drugs are subject to the deductible, and they are also subject to the applicable copay or coinsurance, as well as the Plan's formulary and tier status.
 - Diabetic drugs, insulin, and supplies are subject to the deductible, and they are also subject to the applicable copay or coinsurance, as well as the Plan's formulary and tier status.

For 2021, no prescription drug coverage is afforded when an Out-of-Network pharmacy is used, except for diabetic drugs, insulin, and supplies, which are covered subject to the deductible, and they are also subject to the applicable copay or coinsurance, as well as the Plan's formulary and tier status.

(Medical and prescription drug benefit insurance/benefit provisions updated November 10, 2020, effective January 1, 2021, in accordance with insurance company terms and conditions)

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Prescription Drug Copayments are **not** counted toward satisfaction of the annual deductible, nor do they count against the annual out-of-pocket maximum limit on the amount of Coinsurance cost share payments a covered person {or person enrolled in a multi-person coverage [Employee and Child(ren), Employee and Spouse, or Family]} may be required to pay.

- A salaried or management staff employee who is eligible and enrolls in a medical and prescription drug insurance/benefit plan offered by the Board shall also be offered the opportunity to be covered under any dental, vision, and/or supplemental health benefit programs offered by the Board on the same basis as any other active employee in the Board's employ.
- The Board will pay the required premium for the lowest cost insurance plan that meets the requirements described above, **except** for the employee's portion of the premium which shall be computed on a percentage-basis, as follows:

<u>Year</u>	<u>Percentage</u>
2013	16.5 %
2014	16.5 %
2015	17.0 %
2019	18.0 %

which employee premium shall be deducted from the employee's regular paychecks in 26 equal installments through a pre-tax Section 125 plan under the *Internal Revenue Code*, unless the employee completes and submits the required form to the Plant Office in order to waive of this method (in which case the employee's portion of the premium shall be deducted from the employee's regular paychecks on an after-tax basis). Should a salaried or management staff employee elect to be covered under a plan, if any, that is more expensive (in terms of total premium cost) than the lowest cost "indemnity" plan meeting the minimum requirements described above, the Board will pay the same amount toward the premium that it would pay for the lowest cost "indemnity" plan, and the employee will pay the remainder of the premium, to be deducted from the employee's regular paychecks in 26 equal installments as provided above. *Please note that, in light of ever-changing health-care costs as well as improvements in medical science and health-care technology, the Board must review and make adjustments to the employee share of premium cost for medical and prescription drug insurance/benefits at least annually in years after 2019.*

(Employee's portion of premium was revised by amendment adopted November 2, 2018, effective January 1, 2019)

- When a salaried or management staff employee is absent on unpaid leave under the federal *Family and Medical Leave Act* ("FMLA"), and provided such employee timely makes the required employee premium payment, the Board will continue medical and prescription drug insurance/benefit coverage for the employee, the employee's spouse

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and dependents in accordance with the provisions of the FMLA until the end of the calendar month in which such employee's FMLA leave ends, or until the end of the calendar month in which the employee returns to work, whichever is soonest to occur, but in no case longer than for 12 weeks per 12-month period as required under the FMLA.

- In the event that a salaried or management staff employee is laid-off, suspended without pay, or if the employment of a salaried or management staff employee should end for any reason other than death or retirement, the medical and prescription drug insurance/benefit coverage of the employee, the employee's spouse and dependents shall end at the end of the calendar month in which such event occurs unless expressly eligible to be extended by virtue of a stated provision appearing elsewhere in this policy and benefit description document. Thereafter, the employee, employee's spouse, and dependents will be offered the opportunity to continue coverage at their own expense in accordance with the federal COBRA law.
- In case of the death of a salaried or management staff employee, the covered surviving spouse/dependent children can continue existing medical and prescription drug insurance/benefit coverage for three consecutive calendar months, beginning immediately after the month in which the employee dies, by paying the same monthly employee premium as the employee had been paying (adjusted, if necessary, to reflect the new family size [for example if a couple had no children and was paying for two-person coverage, the surviving spouse's subsequent monthly premium is to be based on the rate applicable for single coverage]), and for an additional three consecutive calendar months thereafter by paying 50% of the total premium cost for such coverage. Thereafter, employee's surviving spouse and eligible dependent children will be offered the opportunity to continue coverage at their own expense in accordance with the federal COBRA law.

11. Optional Medical and Prescription Drug Insurance/Benefits Buy-out

- The Board allows (*but does not encourage*) salaried and management staff employees the option to choose not to receive medical and prescription drug insurance/benefits, in which case the Board will provide a cash buy-out in lieu of receiving such benefits. The amount of such buy-out shall be \$5,000.00 per year. The buy-out will be paid in 26 equal installments as additional compensation added to the employee's regular paychecks. Thus, the buy-out is subject to all applicable employment and income taxes.
- In the event a salaried or management staff employee who has chosen to receive a buy-out involuntarily loses his or her medical and prescription drug insurance/benefits provided by another source, such employee shall be permitted to terminate his or her election to receive the buy-out effective at the end of the last payroll period of a given

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month and then enroll in a medical and prescription drug insurance/benefits plan offered by the Board at the beginning of the following month, provided the employee gives notice and completes/submits all required forms at least five business days prior to the first day of the month and, otherwise, meets all eligibility requirements of the medical and prescription drug insurance/benefits plan for enrollment.

12. Workers' Compensation Benefits

- Each salaried or management staff employee is covered under the New York Workers' Compensation Law with respect to an injury, occupational illness or disease sustained or incurred in the course of employment at the Plant at no cost to the employee. In such event, the employee should immediately seek appropriate medical care and treatment and then promptly report or arrange to have reported the facts and circumstances of the injury, occupational illness or disease to the Superintendent (or to the Assistant Superintendent, in the absence of the Superintendent, or to the Board if the injury, occupational illness or disease has been sustained or incurred by the Superintendent), making such report not later than 48 hours from the happening of the injury or onset of the occupational illness or disease, or within such longer time as may be permitted under the Workers' Compensation Law.
- A salaried or management staff employee may not use vacation time or personal leave credits to supplement Workers' Compensation lost time benefits.
- Nevertheless, a salaried or management staff employee who has accrued sick leave credits available may elect to have sick leave credits applied (to the nearest half-day) to provide for payment of the difference between the employee's weekly Workers' Compensation lost time benefits and the employee's regular salary at the then-current rate. In the event that the employee is paid such differential compensation through use of sick leave credits, and the Board's Workers' Compensation carrier makes payment to the employee of Workers' Compensation lost time benefits which overlap the differential compensation paid to the employee, the employee shall reimburse the Board for that portion of sick leave credit covered by the Workers' Compensation benefit, and the employee shall be re-credited with the proportional amount of sick leave credit so reimbursed.
- Provided a salaried or management staff employee absent and receiving Workers' Compensation lost time benefits timely makes the required employee premium payment, the Board will continue medical and prescription drug insurance/benefit coverage for the employee in accordance with the provisions of the federal *Family and Medical Leave Act*. Thereafter, an employee continuing to receive Workers' Compensation lost time benefits and drawing full salary by using accrued sick leave credits will, provided the employee timely makes the required employee premium payment, continue to be covered under the medical and prescription drug

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insurance/benefit plan, and the Board will continue to make its employer premium payments for **up to a maximum of twelve consecutive calendar months**. In the event that the extension of coverage provisions described in the preceding sentences of this paragraph are no longer available (due to exhaustion of sick leave credits) or do not apply to a salaried or management staff employee, the employee will be offered the opportunity to continue medical and prescription drug insurance/benefit plan coverage at his or her own expense in accordance with the federal COBRA law.

13. New York State Disability Insurance Benefits

- The Board will make available to salaried or management staff employees a short-term disability insurance plan for non-job-related injuries or illnesses that meets the minimum requirements the New York Disability Benefits Law at a cost to the employee of not more than sixty cents (\$ 0.60) per week, such cost to be paid by payroll deduction from the employee's regular paychecks.
- A salaried or management staff employee who has accrued sick leave credits available may elect to have sick leave credits applied (to the nearest half-day) to provide for payment of the difference between the employee's weekly Disability Benefits and the employee's regular salary at the then-current rate. In the event that the employee is paid such differential compensation through use of sick leave credits, and the Board's Disability Benefits carrier makes payment to the employee of Disability Benefits which overlap the differential compensation paid to the employee, the employee shall reimburse the Board for that portion of sick leave credit covered by the Disability Benefit, and the employee shall be re-credited with the proportional amount of sick leave credit corresponding to the differential compensation so reimbursed.
- In the event that a salaried or management staff employee either exhausts or has no accrued sick leave credits available, the employee may elect to have vacation time credits applied (to the nearest half-day) to provide for payment of the difference between the employee's weekly Disability Benefits and the employee's regular salary at the then-current rate. However, in such case, the employee shall not be required to reimburse the Board in the event Disability Benefits are received which overlap the differential compensation paid to the employee from vacation time credits.
- Provided a salaried or management staff employee absent and receiving Disability Benefits timely makes the required employee premium payment, the Board will continue medical and prescription drug insurance/benefit coverage for the employee in accordance with the provisions of the federal *Family and Medical Leave Act*. Thereafter, an employee continuing to receive Disability Benefits and drawing full salary by using accrued sick leave credits and/or vacation time credits will, provided the employee timely makes the required employee premium payment, continue to be covered under the medical and prescription drug insurance/benefit plan, and the Board

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will continue to make its employer premium payments for **up to a maximum of fourteen (14) consecutive weeks**. In the event that the extension of coverage provisions described in the preceding sentences of this paragraph are no longer available (due to exhaustion of sick leave and/or vacation time credits) or do not apply to a salaried or management staff employee, the employee will be offered the opportunity to continue medical and prescription drug insurance/benefit plan coverage at his or her own expense in accordance with the federal COBRA law.

14. Group Life and Group Disability Insurance *(Presently, the Board does not offer any separate coverage or policy of group life insurance or group disability insurance to salaried and management staff employees. Salaried and management staff employees are reminded, however, that a group life insurance death benefit may be available under the rules and conditions of the New York State Employees' Retirement System, and the New York State Employees' Retirement System offers certain ordinary disability and accidental disability benefits under rules and conditions administered by the Retirement System. The Board also reserves the right from time-to-time to investigate the feasibility and cost-effectiveness of making additional disability benefits available to salaried and management staff employees.)*

15. Retirement Benefits (other than Retiree Medical and Prescription Drug Insurance/Benefits [see item 16, below])

- The Board contributes to the New York State Employees' Retirement System (the "System" or "Retirement System") for each salaried and management staff employee in accordance with the Retirement System's rules and conditions. At present, a newly-hired employee, including a salaried or management staff employee, generally is required to contribute three (3%) of the employee's gross salary (as a payroll deduction from the employee's paychecks) during the first ten (10) years of employment as contributions for Retirement System membership. *(Please note that different rules and conditions apply to employees with different personnel histories, such as earlier "dates of hire" and/or prior accrual of Retirement System credit before beginning employment at the Plant. Therefore, a Retirement System representative should be consulted if more precise information is desired as to a given employee's status or the rules and conditions applicable to such individual.)* Otherwise, Retirement System coverage is non-contributory.

- Salaried and management staff employees will be entitled to retire and receive retirement benefits from the New York State Employees' Retirement System in accordance with the program/tier they are enrolled in. (Detailed information about the rules, conditions, requirements, and benefits of each program/tier can be obtained directly from the System).

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- (Presently, the Board is not permitted to offer the benefits of Section 41-j of the New York Retirement and Social Security Law to any employee, including salaried and management staff employees of the Plant).

16. Retiree Medical and Prescription Drug Insurance/Benefits

- The Board offers medical and prescription drug insurance/benefit plan coverage under the terms described below to eligible employees age 55 or older after they retire from employment with the Plant provided that they are receiving retirement benefits from the New York State Employees' Retirement System, and further provided that the Retiree has maintained continuous coverage under the plan to be continued (or a higher-cost plan) through the date of his or her retirement and for at least one full calendar year prior to his or her retirement date. In addition, such coverage is available for the Retiree's eligible spouse if the spouse was also covered under the same medical and prescription drug insurance/benefit plan on Retiree's retirement date. In the event the Retiree predeceases the Retiree's eligible spouse, the Retiree's surviving spouse may continue existing Retiree medical and prescription drug insurance/benefit coverage provided the Retiree's surviving spouse timely pays the full cost of the premiums beginning the first day of the calendar month following the Retiree's death. In the event of any other "qualifying event" (such as divorce or legal separation under a written agreement recorded in the applicable County Clerk's office), the retiree's spouse or surviving spouse shall not be eligible to continue existing medical and prescription drug insurance/benefit coverage except at his or her own expense as provided under the federal COBRA law.
- In addition to the age and continuous coverage requirements described in the prior paragraph, in order to be eligible for Retiree medical and prescription drug insurance/benefits, the salaried or management staff employee must not be leaving employment or retiring as a result of, or in connection with settlement of, a disciplinary action or charge, and must:
 - if the Retiree's employment at the Plant began before 2007:
 - have completed at least 10 years of continuous service with the Plant (including any contiguous or included military service), and
 - have retired directly from employment with the Plant, and
 - have been granted a retirement benefit from the New York State Employees' Retirement System.
 - if the Retiree's employment at the Plant began on or after January 1, 2007:
 - have completed at least 20 years of continuous service with the Plant (including any contiguous or included military service), and

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- have retired directly from employment with the Plant, and
 - have been granted a retirement benefit from the New York State Employees' Retirement System.
- For an eligible Retiree whose employment at the Plant began before 2007 and who has completed **at least 15 years** of continuous service with the Plant (including any contiguous or included military service) and is not yet eligible for Medicare, the monthly premium charge to such Retiree for Retiree medical and prescription drug insurance/benefits coverage shall be the greater of:
- 25% of the full premium cost for the plan and level of coverage to be purchased (i.e., family, two-person, or single), or
 - the difference between the full premium cost for the plan and level of coverage to be purchased (i.e., family, two-person, or single) and 75% of the full premium cost for the lowest cost "traditional indemnity" plan meeting the minimum requirements described in the two subparagraphs under the first paragraph of benefit item 10, above, at the level of coverage to be purchased by the Retiree (i.e., family, two-person, or single),
- payable in advance. In all other cases (including with respect to eligible Retirees who began their employment at the Plant on or after January 1, 2007), the monthly premium charge to be paid by an eligible Retiree shall be the greater of:
- 50% of the full premium cost for the plan and level of coverage to be purchased (i.e., family, two-person, or single), or
 - the difference between the full premium cost for the plan and level of coverage to be purchased (i.e., family, two-person, or single) and 50% of the full premium cost for the lowest cost "traditional indemnity" plan meeting the minimum requirements described in the two subparagraphs under the first paragraph of benefit item 10, above, at the level of coverage to be purchased by the Retiree (i.e., family, two-person, or single),
- payable in advance. The Board will pay the balance of the premium.
- Because **future Retiree coverage under the existing medical and prescription drug insurance/benefit plan(s) offered by the Board is not "vested" or guaranteed**, and given the ever-changing state-of-the-art in medical science, technology, medical care and treatment, the then-existing (at the employee's retirement date) plan provisions, premium costs, co-pays, deductibles, coverages, exclusions, and/or benefits may be changed by the Board or the plan administrator as necessary or desired (provided that

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- appropriate advance written notice is furnished to the covered Retiree and/or spouse). Nevertheless, should any such change be made which reduces the scope or extent of the benefits available under the medical and prescription drug insurance/benefit the Retiree and/or spouse are enrolled in at the time of such change, the Retiree and/or spouse will be offered the option of electing to be covered at the next highest-level insurance/benefit plan then available that most-closely meets the scope or extent of the benefits available under the then-existing plan, **but** in accordance with that plan's cost, coverage, benefit, and administrative structure.
- In no event shall the Board or the Plant be required or obligated to pay or reimburse any portion of any Doctor's bill, hospital bill, prescription bill, x-ray bill, laboratory bill, procedure bill, treatment bill, therapy bill, or any other medical bill or expense which is not covered or reimbursed by the medical and prescription drug insurance/benefit plan in which the Retiree and/or eligible spouse and/or eligible dependent children is/are enrolled.
 - Should a retiring salaried or management staff employee elect not to receive Retiree medical and prescription drug insurance/benefit coverage upon retirement, then the Retiree's spouse and/or eligible dependent children shall not be eligible to obtain such coverage either. However, in such case as the Retiree has elected not receive Retiree medical and prescription drug insurance/benefit coverage at retirement or, having elected such coverage, decides to terminate it or allows it to lapse, the Retiree and/or the Retiree's eligible spouse and/or eligible dependent children will be offered the opportunity to purchase continuation coverage at their own expense under the federal COBRA law. Please also understand that a Retiree who elects not to receive Retiree medical and prescription drug insurance/benefit coverage at retirement or, having elected such coverage, decides to terminate it or allows it to lapse may **not** at a later date apply for, reinstate, or obtain such coverage from the Board effective at a future time.
 - Retiree medical and prescription drug insurance/benefit coverage obtained as described above will be deemed to be the "primary" coverage for the Retiree and/or eligible spouse **only until** the Retiree and/or eligible spouse, as the case may be, meets the eligibility criteria for Medicare coverage, at which time "primary" coverage will be provided by Medicare (*or be deemed to be provided by Medicare should the Retiree and/or eligible spouse fail or neglect to enroll for Medicare for any reason*). At such time, the Retiree and/or eligible spouse may be required to change to a different medical and/or prescription drug insurance/benefit plan so as to enroll in a group Medicare Advantage and/or Medicare supplemental insurance policy (or a combination of Medicare Advantage and/or Medicare supplemental insurance policies if, for example, supplementary medical coverage and prescription drug coverage are obtained under separate policies), if any, made available by the Board. The Board **does NOT reimburse** an eligible Retiree and/or eligible spouse for the cost of his or her Medicare Part B premium, although the Board will continue to pay the applicable percentage of

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the premium(s) for the group Medicare Advantage and/or Medicare supplemental insurance policy(ies), computed as provided above.

- At the time of retirement, a salaried or management staff employee may elect to apply all or a portion of accumulated sick leave credits toward future monthly premium payments for Retiree medical and prescription drug insurance/benefit coverage for the Retiree and/or the Retiree's eligible spouse and eligible dependent children. For this purpose, with respect to a Retiree whose employment at the Plant began before 2007, the value of such sick leave credits to be applied to such coverage will be computed by dividing the number of days of sick leave credit by 5 and then multiplying the result by 50% of the salaried or management staff employee's then-current weekly salary at the time of retirement. The resulting such value will then be credited to a "reserve" from which future monthly premium payments may be deducted. *(With respect to a Retiree whose employment at the Plant began on or after January 1, 2007, such value will be computed by dividing the number of days of sick leave credit by 5 and then multiplying the result by 10% of the salaried or management staff employee's then-current weekly salary at the time of retirement).* No interest or increases shall accrue on such reserve, but should the Retiree and/or eligible spouse and eligible dependent children all die before the reserve is fully expended, the remaining unspent balance shall be refunded to the estate of the Retiree or the estate of the Retiree's spouse, as the case may be, but in no case may such refund, in combination with any payment previously received under the last paragraph of benefit item 4, above, exceed the equivalent of 30 weeks of salary based on the Retiree's salary at the date of retirement. Likewise, in the event that a Retiree, having elected Retiree medical and prescription drug insurance/benefit coverage, decides to terminate it or allows it to lapse before the reserve is fully expended, the remaining unspent balance shall be refunded to the Retiree, but in no case may such refund, in combination with any payment previously received under the last paragraph of benefit item 4, above, exceed the equivalent of 30 weeks of salary based on the Retiree's salary at the date of retirement.

17. Unemployment Insurance Compensation Benefits.

- Each salaried or management staff employee is covered for Unemployment Insurance Compensation Benefits at no cost to the employee in accordance with the governing provisions of the New York Labor Law and applicable regulations in the event of involuntary termination of employment.
- In the event of involuntary termination of employment, the employee will be provided with the requisite Record of Employment form or notice as required under applicable law and regulations.
- Claims for Unemployment Insurance Compensation Benefits must be filed with a local office of the New York State Department of Labor.

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18. Superintendent Vehicle

- The Superintendent will be provided with passenger car transportation for the purpose of conducting plant business, plus driving to and from home to work. Maintenance, insurance, and fuel will be provided by the Board.
- When not being used by the Superintendent, the vehicle shall be available for use by other Plant employees to carry-out other Plant business, as required.
- Any incidental personal mileage driven by the Superintendent must be recorded and reimbursed by the Superintendent to the Board at the applicable rate established under the *Internal Revenue Code* but, if not so reimbursed, must be reported as additional income to the Superintendent in accordance with applicable income tax regulations.
- In the event that the Superintendent's vehicle is not available to the Superintendent due to recall, maintenance, repairs, or use by other Plant employees, and if the Board does not provide the Superintendent with temporary replacement transportation, the Superintendent shall be entitled to reimbursement for use of his or her privately-owned vehicle to conduct Plant business or for driving to and from home to work. The Superintendent must maintain accurate documentation regarding mileage driven and either credit such mileage as an offset against "incidental personal mileage" recorded as provided above or submit a claim for reimbursement, accompanied by appropriate supporting documentation, not later than 60 days after the end of the month in which the mileage is driven in accordance with *Policies* item 7, above.

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Vestal, New York

as updated: November 24, 2015 (effective January 1, 2016)
Vestal, New York

as amended: November 2, 2018 (effective January 1, 2019)
Vestal, New York

as updated: November 10, 2020 (effective January 1, 2021,
Vestal, New York *in accordance with insurance company terms and conditions*)

as amended: November 9, 2021 (effective immediately)
Vestal, New York