

OVERVIEW OF EMPLOYEE BENEFITS

The following is a summary of benefits as of October 1, 2008; please see the official Policy and Procedures manual for the City of Stafford or contact Human Resources for a more complete description of each benefit. These benefits apply to all full-time personnel employed by the City of Stafford.

MEDICAL INSURANCE

The City offers two medical insurance plans to its full time employees, the Core plan and the Buy Up plan. The employee monthly deductions for the two plans are listed below. There is presently no waiting period for an employee and their dependents to be covered.

| | <u>Core Plan</u> | <u>Buy Up Plan</u> |
|-----------------------|------------------|--------------------|
| Employee only | \$0.00 | \$112.00 |
| Employee & Spouse | \$100.00 | \$359.00 |
| Employee & Child(ren) | \$90.00 | \$315.00 |
| Employee & Family | \$130.00 | \$447.00 |

DENTAL INSURANCE

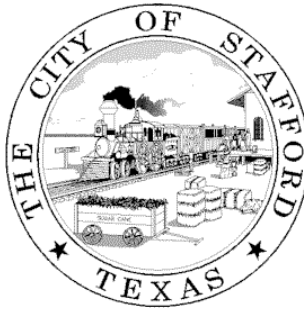
The City provides dental insurance for all full time employees and their dependents at no cost to the employee. There is presently no waiting period for an employee and their dependents to be covered.

SHORT TERM DISABILITY

The City provides limited short-term disability benefits on a self-insurance basis. Upon exhaustion of all accumulated sick and vacation leave, the City will pay to the employee 60% of their base salary after they have been unable to work due to illness or injury for more than thirty consecutive calendar days.

LONG TERM DISABILITY

The City provides long term disability insurance to all full time employees at no cost to the employee.



LIFE INSURANCE

The City also provides term life insurance and accident, death, and dismemberment to all full time employees at no cost to the employee. The basic life benefit is \$25,000 for employees under the age of 65 and \$16,250 for employees age 65 and over.

RETIREMENT

TEXAS MUNICIPAL RETIREMENT SYSTEM

Full-time employees shall be members of the TMRS and shall participate in all benefits deriving therefrom. Beginning in 2005, the employee will contribute 7% of the employee's salary to the plan and the City matches the employee contribution 2 to 1. You must have 5 years of service to be vested in TMRS. You may retire at age 60 with 5 years of service or at any age with 20 years of service.

SOCIAL SECURITY

The City participates in the Federal Social Security program with all the benefits deriving therefrom.

457 PLAN

The City offers a 457 plan to employees. Participation in this plan is voluntary.

WORKER'S COMPENSATION

Worker's compensation will be paid in accordance with the Worker's Compensation Act. Worker's comp insurance is provided through Texas Municipal League. In addition to the benefits prescribed under the Worker's Compensation Act, injured employees shall receive a salary supplement subject to specific provisions outlined in the personnel policies and procedures manual.

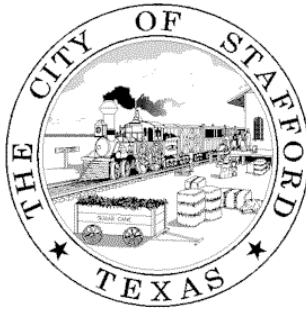
TIME OFF

HOLIDAY

Employees will receive time off for a total of 12 holidays per year, 2 of which are considered personal.

SICK LEAVE

Each full-time employee is allowed to earn ten sick days per year. Employees may accumulate a maximum of 180 days.



VACATION

Vacation leave is earned on a basis designated by years of employment with the City.

| | |
|----------------------------------|--------------------|
| New employee through one year | 5/6 day per month |
| One year through nine years | 2 weeks or 10 days |
| Ten years through nineteen years | 3 weeks or 15 days |
| Twenty years or more | 4 weeks or 20 days |

JURY DUTY

Employees summoned for jury duty will be allowed the necessary time; it is expected that an employee will report for work if they are excused from jury duty at or before 3:00 p.m.

MILITARY TRAINING

Absence in each calendar year is allowed for 15 days reserve training in the State and Federal Military Reserve organization without the loss of benefits and salary.

FUNERAL LEAVE

Employees are allowed absences with pay for three calendar days for the death in the immediate family, spouse's immediate family or household. Immediate family includes mother, father, brother, sister, wife, husband, son, or daughter. Time off may be allowed to attend the services of other relatives up to a maximum of one day. Time off may be allowed to attend the services of a close friend, the time may be charged to vacation. Time off to attend services of a City employee usually is granted.

MISCELLANEOUS

LONGEVITY

All full-time employees shall receive longevity, provided funds are appropriated by City Council. Presently, employees receive \$4 per month, per year of service, after completing one year of service.

DIRECT DEPOSIT

The City offers payroll direct deposit to all employees.



SUPPLEMENTAL INSURANCE

The City offers supplemental Cancer, Accident, Intensive Care, Stroke-Heart Attack, Vision Now and Personal Accident Expense Plan with AFLAC. The premiums are payroll deducted and most are pre-tax.

SECTION 125 CAFETERIA PLAN

Employees may elect to payroll deduct on a pre-tax basis a part of their salary to provide reimbursement for dependent care and eligible medical expenses. The maximum contribution for Dependent Care reimbursement is \$5000 per year and \$2000 per year for the Medical Flex Spending account.

ENROLLMENT IN STAFFORD SCHOOLS

Children of the City of Stafford employees are eligible to attend Stafford Municipal School District.

BANKING PRIVILEGES

Brazos Valley Schools Credit Union, Peoples Choice Credit Union, Frost Bank, Bank of Texas, and Houston Community Bank offers City of Stafford employees a special banking package with a no service charge checking account and a number of other services as long as you are employed with the City.

CITY SWIMMING POOL

All City employees and family may use the City pool. Pool passes are \$10.00 for each person for the entire season.

SAVINGS BONDS

The City offers a Savings Bond plan to employees through payroll deduction. Participation in this plan is voluntary.

HEALTH CLUBS

A-Team Fitness and Powerhouse Gym offer discounted memberships for all City Employees.