

NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

Each full-time employee shall be required to join the Local Governmental Employees' Retirement System (LGERS) as a condition of employment, effective on the date of employment. While no waiting period is established for joining LGERS, this section does not and shall not be construed in any manner to impair or impact to any degree the conditions of probationary employment found in this manual.

Retirement Credit

Employees who are members of the North Carolina Local Governmental Employee's Retirement System may apply unused sick leave toward retirement credit in accordance with System guidelines. Employees should take note that the application of unused sick leave toward retirement credit is governed exclusively by the North Carolina Local Governmental Employee's Retirement System. Accordingly, any questions or concerns about this issue should be directed to the North Carolina Local Governmental Employee's Retirement System.

Transfer from Other Agencies/Entities

An individual who is employed by the City of Asheboro in a full-time position and who comes to the city from employment with another agency which participates in the Teachers' and State Employees' Retirement System of North Carolina or the North Carolina Local Governmental Employees' Retirement System may have his/her accrued sick leave transferred to the City of Asheboro under the following guidelines:

- 1) The employee bears the sole responsibility for requesting and obtaining certification of the prior sick leave balance from the former employer.
- 2) The employee's responsibility for obtaining certification of his/her accrued sick leave is not discharged until the employee receives from the Human resources department written acknowledgement of acceptance of the former employers' certification of the amount of accrued sick leave.
- 3) The employee will be credited with his/her certified prior sick leave balance after 1 month's service with the City of Asheboro. Except as provided below in subsection 4, employees rehired by the City of Asheboro will be credited with their prior sick leave balance using the same guidelines as specified above.
- 4) Employees rehired will not be given credit for sick leave earned with the city, if the employee separated during the initial probationary period of employment.

GROUP HEALTH AND HOSPITALIZATION INSURANCE FOR RETIRING EMPLOYEES

Employees who retire under the North Carolina Local Government Employee Retirement System may be entitled to a continuation of Group Health and Hospitalization Insurance at the city's expense under the following circumstances:

- 1) 30 years of service with the North Carolina Local Governmental Employees' Retirement System and 15 years continuous service with the City of Asheboro.
- 2) Any other qualification for retirement with the North Carolina Local Governmental Employees' Retirement System and 20 years of service with the City of Asheboro.
- 3) An employee who qualifies for disability retirement with the North Carolina Local Governmental Employees' Retirement System.

The city will provide this employee only coverage for the retiree only until the retiree reaches age 65. If at any time prior to age 65, a covered retiree and/or covered dependent becomes eligible for Medicare, he/she must change his/her medical coverage to the Medicare Supplement Plan if coverage is to continue with the City of Asheboro. If applicable the dependent(s) shall be offered coverage under the COBRA plan.

Retirees not qualifying for health insurance coverage paid for by the City of Asheboro may elect to continue this coverage for themselves and their dependents at their own expense, until the retiree reaches age 65. If at any time prior to age 65, a covered retiree and/or dependent becomes eligible for Medicare, he/she must change his/her medical coverage to the Medicare Supplement Plan if coverage is to continue with the City of Asheboro.

All individuals retiring prior to the effective date of this policy (May 6, 1999) shall not be affected by these guidelines. Benefits bestowed upon those individuals will remain in effect as stated in the Employee Policy which was in effect at the time of their retirement.

Other group benefits may be available to retiring employees at their expense under provisions provided by the group benefits package.