



**ORGANIZATIONAL AND SPECIAL MEETING AGENDA  
OTSEGO COUNTY BOARD OF ROAD COMMISSIONERS  
THURSDAY, JANUARY 4, 2024 – 5:30 P.M.  
669 W. MCCOY RD., GAYLORD, MI 49734**

**Organizational Meeting**

- Item 1 – Call to Order/Pledge of Allegiance**
- Item 2 – Roll Call**
- Item 3 – Nominations/Election of Chairman**
  - Nomination/Election of Vice-Chairman**
  - Appoint Secretary to the Board**
  - Adopt 2024 Procedural Rules**
  - Approve 2024 Meeting Schedule**
  - Approve OCRC Organizational Chart**

**Special Meeting**

- Item 1 – Agenda Changes/Approval of Agenda**
- Item 2 – Public Comment**
- Item 3 – Old Business/Unfinished Business**
- Item 4 – New Business**
  - A. Non-Union Employee Benefits/Compensation Policy (January 1, 2024 thru December 31, 2026)**
- Item 5 – Commissioner Comment**
- Item 6 – Adjournment**



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# Otsego County Road Commission

## Agenda Item Report

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**FROM:** Rebecca Hilmert, Finance Manager/Board Secretary

**MEETING DATE:** January 04, 2024

**AGENDA ITEM:** 3. Organizational Items

**SUBJECT:** Nomination and Election of Officers, Board Secretary Appointment, 2024 Procedures Adoption, 2024 Meeting Schedule, 2024 Organizational Chart

### **DESCRIPTION**

PA 283 (County Road Commission Act) requires the OCRC Board to appoint a member of its body to serve as chairperson for the OCRC Board annually. CRC boards also customarily select one of the members to serve as a vice-chair. The law directs the county clerk to serve as CRC clerk, but also permits a CRC to appoint a staff member to work as board secretary when the workload is too great. It is common to appoint a staff member to work as board secretary. Each CRC should, officially, adopt a set of board rules. *Robert's Rules of Order* have become the default mode for meetings; however, most organizations modify the rules to match the level of formality needed in its decision-making setting. The Open Meetings Act requires each board to set the dates, times, and places of the board's regular meetings for the coming year at the first meeting of the new year. Lastly, staff is recommending the approval of the revised OCRC's 2024 Organizational Chart.

### **PROCESS**

- 1.) Board Secretary opens nominations for chair position.
- 2.) Any member may make a nomination (does not need a second); Board Secretary asks for other nominations and the process is continued until no further nominations are offered.
- 3.) A vote is then held for each nominee in the order of nominated (roll call by Board Secretary) until a majority of the Board has voted in favor of a particular nominee, at which point the person is announced to be elected as chair and the election is over. The board secretary turns the meeting over to the Chairperson for nominations of vice-chair.
- 4) Appoint Board Secretary.  
**Motion to appoint Rebecca Hilmert as Board Secretary.**
- 5) Adopt 2024 Procedural Rules.  
**Motion to adopt 2024 Procedural Rules as presented.**
- 6) Approve 2024 Meeting Schedule.  
**Motion to approve 2024 Meeting Schedule as presented.**
- 7) Approve 2024 OCRC Organizational Chart.  
**Motion to approve 2024 OCRC Organizational Chart as presented.**

	<b>OTSEGO COUNTY ROAD COMMISSION BOARD POLICY</b>	Policy No. P24-1
		Effective Date: 01-04-2024
		Supersede: P23-1

**2024 PROCEDURE POLICY**  
 OF THE  
**OTSEGO COUNTY ROAD COMMISSION**  
**OTSEGO, MICHIGAN**

**ARTICLE I — RULES**

**Section A    PROCEDURE POLICY:**

The Commission shall incorporate Robert’s Rules of Order as meeting procedures and said Commission shall have the right to adopt and amend policies, by majority vote of the total board, governing their procedures. The policies shall not conflict with the terms of any statute.

**Section B    RULES OF ORDER:**

Any person disturbing a meeting shall be asked to be seated and remain quiet. Failing this, the Chairperson shall ask the person to leave; if he or she refuses, the Chairperson will call a brief recess. Final step to order would be asking the sheriff or deputy to remove the person.

The Open Meetings Act confirms the right of a public body to establish rules for addressing that body (PA 267 of 1976 as amended by PA 256 of 1978, Section 15.263(5)).

**NOW THEREFORE BE IT RESOLVED** that the following rules governing Public Input be adopted and enforced unless amended by a future County Road Commission Board:

1. Public input at the regular or special meetings of the Otsego County Board of Road Commissioners shall be welcomed.
2. During Public Input, those individuals wishing to speak shall raise their hand to be recognized by the Chairperson. Once recognized the individual shall state their name for the record.
3. Three-minute limit be allocated to each speaker.
  - a. No allocation may be for more than three minutes unless the Board grants additional time to the speaker.

- b. The Chairperson shall recognize all persons who wish to speak during public comments per Section 3(a), 4(c), 4(d).
- c. Allocated time to persons recognized by the Chairperson may not be traded away to other members of the public either recognized or not.
- d. Allocated time to persons recognized by the Chairperson may speak 3 (three) minutes during first Public Comment and 3 (three) minutes during the second Public Comment for a total of 6 (six) minutes. (Adopted: 04/14/08)

**Section C QUORUM:**

A majority of members shall constitute a quorum for the ordinary business of the road commission. There is a required two-thirds roll call vote of the members of the public body elected or appointed and serving needed to go into Closed Session meetings pursuant to the Open Meetings Act 1976 PA 267, MCL 15.261.

**Section D ROLL CALL VOTES:**

The names and votes of members shall be recorded on all actions of the Board. Roll call votes may be called at the request of 1/3 of the members present.

**ARTICLE II — THE BOARD OF ROAD COMMISSIONERS**

**Section A BOARD MINUTES:**

The Clerk of the Board must record all the proceedings of the Board in a book provided for that purpose.

**Section B TERM OF OFFICE:**

Begins on January 1<sup>st</sup>, following the election/appointment. Oath of office and signing the Constitutional Oath of Office shall be done before the January 1<sup>st</sup> date.

**Section C VACANCIES ON BOARD OF ROAD COMMISSIONERS:**

Shall be filled according to statute by the County Board of Commissioners.

**Section D COMMISSION COMPENSATION AND MILEAGE:**

Commissioners shall receive a compensation and mileage reimbursement fixed by resolution of the County Board of Commissioners. Change in compensation shall become effective only when commissioners begin their term of office after appointment by the **County Board of Commissioners of Otsego County**. Mileage shall not exceed the standard amount per mile as set by the Internal Revenue Services.

**Section E COMMISSIONERS HAVING OTHER COUNTY EMPLOYMENT:**

Any person while a member of the Board shall not be eligible to be elected to any position that is within the jurisdiction of the County Board of Commissioners. Further, no member of the Board of Commissioners shall be eligible to fill the office of County Road Commissioner.

**Section F COMMISSIONERS CONFLICTS OF INTEREST AS TO CONTRACTS:**

A commissioner shall exercise his or her obligation to vote upon issues at hand unless a conflict of interest is present. He or she shall avoid being placed in a position of conflict of interest and refrain from using the Board position for personal or partisan gain.

**Section G SEALED BIDS:**

Sealed bids shall be requested on any item, equipment, or service, unless this requirement is specifically withheld from applying by action of the Board. Specifications will be submitted by the department head or elected official making the request. All requests for bids must contain the statement that: "The Board of Road Commissioners reserves the right to accept or reject any or all bids submitted, and to accept the bid that is in the best interest of the County Road Commission." All bids will be opened at the time and place stated in the bid request and acted on at a meeting of the Board of Road Commissioners (regular or special).

**Section H SIGNING OF DOCUMENTS:**

The Chairman of the Board of Road Commissioners and/or the Manager is authorized to sign all documents that have been approved by the Board of Road Commissioners, except when a resolution has been approved, all members shall sign.

**Section I PUBLIC MONIES:**

No public monies shall be used for funeral flowers, memorial contributions, coffee, etc.

**ARTICLE III-BOARD OFFICERS**

**Section A CHAIRPERSON:**

The Chairperson shall be selected by the majority of the Board at the first meeting of each year.

**Section B VICE CHAIRPERSON:**

The Vice Chairperson shall be chosen by the majority of the Board at the first meeting of each year.

**Section C CLERK/BOARD SECRETARY:**

The Clerk of the County shall be clerk of the Board of County Road Commissioners and shall keep the records and accounts of the Board. When the record keeping is of sufficient volume, the Board may appoint a secretary, with the consent of the County Board of Commissioners, who shall act as clerk of the board, and whose salary, together with the salaries of the members of the Board of County Road Commissioners, shall be paid by the Board of County Road Commissioners from county road funds.

**ARTICLE IV - BOARD MEETINGS**

**Section A ORGANIZATION:**

The organizational meeting shall be the first meeting of the year.

**Section B MEETINGS:**

All meetings of the Otsego County Road Commission shall be held in compliance with Act 267 of 1976, as amended, known, and cited as the "Open Meetings Act."

1. All meetings shall be open to the public and shall be held in a place available to the public.
2. All persons shall be permitted to attend any meeting except as otherwise provided in this act.
3. All decisions shall be made at a public meeting.
4. No person shall be required to register or otherwise provide his/her name or other information as a condition of attendance.

**Section C REGULAR/SPECIAL/CLOSED MEETING POSTINGS:**

The Road Commission shall designate an individual to be responsible for implementing the notice provisions of the "Open Meetings Act."

**1. REGULAR MEETINGS:**

- a. A notice of the schedule of regular meetings shall be posted within ten (10) days after the first meeting of the Otsego County Road Commission at which the schedule is adopted.
- b. The meeting schedule shall be posted at the office of the Otsego County Road Commission and at the office of the Otsego County Clerk.
- c. The notice shall contain the name of the public body, telephone number, and address.

d. If there is a change in the schedule of the regular meetings, there shall be posted within three (3) days after which the change is made, a public notice stating the new dates, times, and place of the regular meetings.

## **2. RESCHEDULED/RECESSED/SPECIAL MEETINGS**

a. If a Regular Meeting is rescheduled or recessed for more than thirty-six (36) hours, or if a Special Meeting is called, prior notice of at least eighteen (18) hours must be posted at the offices of the Otsego County Road Commission and the Otsego County Clerk.

b. A Special Meeting will be held at the "Call of the Chair" or upon written request of any two Road Commissioners.

c. The public notice shall contain the name and address of the Otsego County Road Commission, the date, time, place of meeting, phone number, the date, time, and name of person posting notice, time notice was removed and placed on file after special, recessed, rescheduled meeting.

d. The Road Commission may meet in an emergency session in the event of a severe and imminent threat to the health, safety, or welfare of the public when 2/3 of the members serving on the Road Commission decide that a delay would be detrimental to efforts to lessen or respond to the threat.

### **Section D - PUBLIC ATTENDANCE AT BOARD MEETINGS:**

All Road Commission meetings shall be open to the public except for those closed sessions as permitted by 15.268, Section 8:

1. To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation of a public officer, employee, staff member, or individual agent, if the named person requests a closed hearing. A person requesting a closed hearing may rescind the request at any time, in which case the matter at issue shall be considered after the rescission only in open session.

2. For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if negotiating party requests a closed hearing.

3. To consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained.

4. To consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have a detrimental financial effect on the litigating or settlement position of the public body.

5. To review and consider the contents of an application for employment or appointment to a public office if the candidate requests that the application remain confidential. However, all



interviews by a public body for employment or appointment to a public office shall be held in an open meeting.

6. To consider material exempt from discussion or disclosure by state or federal statute.

**ARTICLE V — INDEMNIFICATION**

*This section shall not conflict with the terms of any statute.* The Board of the Otsego County Road Commission shall abide by any applicable laws and/or statutes. The Road Commission shall also follow the standards and procedures set forth by the Road Commission Liability Insurance and Errors and Omissions Policies provided by the Road Commission insurance carrier, MCRCSIP. Any Commissioner operating within the authority of the Board shall be covered. Any Commissioner operating outside the authority of the Board will not be covered.

Adopted: January 04, 2024

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\_\_\_\_\_, Chair  
Otsego County Road Commission

**2024 Meeting Schedule**  
**OTSEGO COUNTY ROAD COMMISSION**  
 669 West Mc Coy Road  
 P.O. Box 537  
 Gaylord, MI 49734-0537  
 (989) 732-5202

**Office Hours:** Monday – Friday 7:30 a.m. – 4:00 p.m.  
**Summer Hours:** Monday – Thursday 6:00 a.m. – 4:30 p.m.

The meeting schedules for the 2024 calendar year of the Otsego County Road Commission, held at the meeting room located at 669 W. McCoy Road, Gaylord, MI 49735, is as follows:

<b>OCRC BOARD MEETINGS</b>	
Board Meetings are scheduled for the second Thursday of each month <i>unless specified otherwise.</i>	
01/11/2024	5:00 p.m.
02/08/2024	9:00 a.m.
03/14/2024	9:00 a.m.
04/11/2024	9:00 a.m.
05/09/2024	9:00 a.m.
06/13/2024	9:00 a.m.
07/11/2024	9:00 a.m.
08/08/2024	9:00 a.m.
09/12/2024	9:00 a.m.
10/10/2024	9:00 a.m.
11/14/2024	9:00 a.m.
12/19/2024*	9:00 a.m.

(Please note dates and/or times may be subject to change. Notification of such changes and/or revisions will be made available to the public)

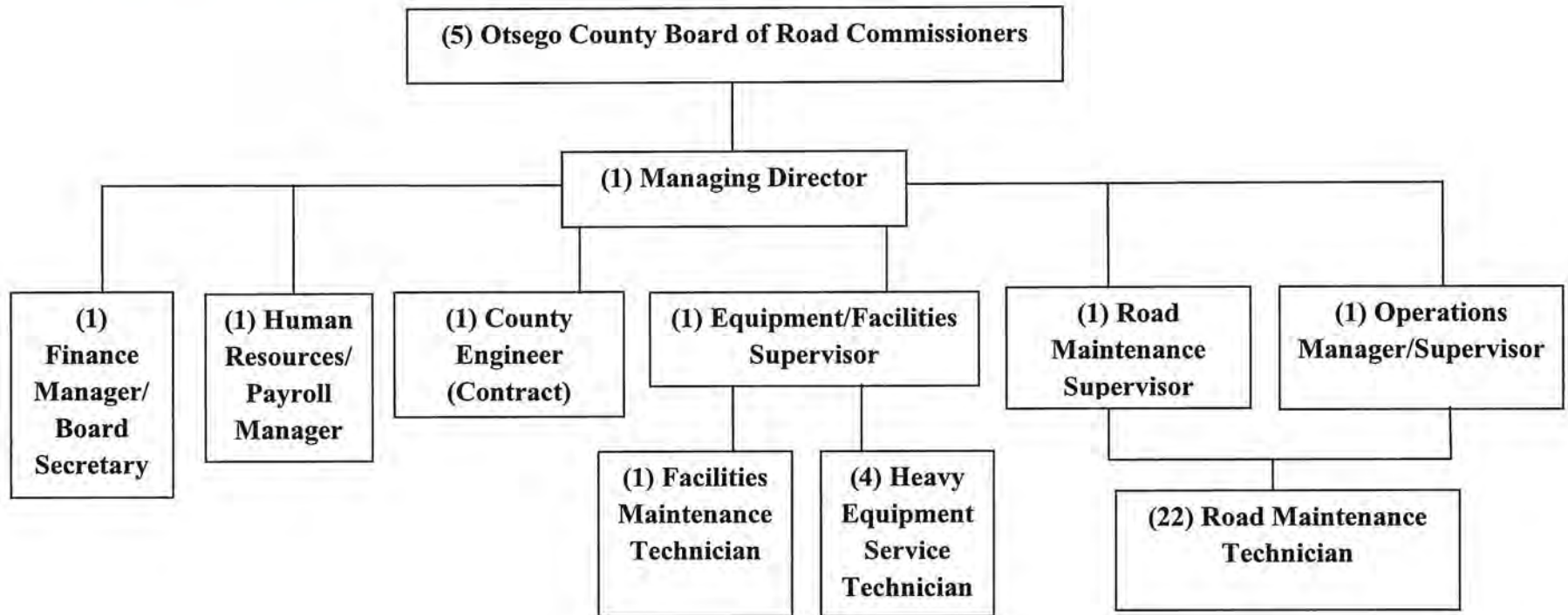
Any other special meetings will be posted in accordance with the Open Meeting Act. For further information, please come in or call our office at (989) 732-5202.

**Otsego County Road Commission Board**

*This notice is posted in compliance with Public Act 267 of 1976, as amended, the Open Meetings Act, MCL 41.72a, and the American with Disabilities Act. The Otsego County Board of Road Commissioners will provide necessary reasonable aids and services, such as signers for the hearing impaired and audiotapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon 30 days' notice to the Otsego County Road Commission by writing or calling. See the contact information listed above.*

# Otsego County Road Commission Organizational Chart

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# Otsego County Road Commission

## Agenda Item Report

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**FROM:** Kirk Harrier, Managing Director  
**MEETING DATE:** January 4, 2023  
**AGENDA ITEM:** 4. A  
**SUBJECT:** Non-Union Employee Benefits/Compensation Policy

### DESCRIPTION

The OCRC finished negotiating a new agreement between the OCRC and the Union in November of 2023. During that process, union wages and benefits of surrounding road commissions were researched and analyzed to aid in developing a benefits/compensation plan for the new union contract. The same process was recently repeated for non-union staff and the OCRC Board appointed an ad hoc advisory compensation committee consisting of two board members to review and discuss the data that was gathered and assist in developing a recommendation to the full board regarding the benefits/compensation policy for non-union employees. The ad hoc advisory compensation committee was governed by the following principles:

1. The Committee shall review and make recommendations to the OCRC Board regarding the compensation and benefits structure for non-union OCRC employees.
2. The Committee's actions shall be advisory in nature only.
3. The OCRC Board does not delegate any authority to the Committee to make decisions on behalf of the OCRC Board.
4. The Committee shall terminate once a recommendation is presented to the full OCRC Board.

The attached policy was completed and is being presented to the full OCRC Board for review. The recommended pay increases (excluding salary adjustments for two non-union positions) covering a three-year period reflect an overall 9% total increase in wages as was also approved for union employees.

### BUDGET ACTION REQUIRED

N/A

### LEGAL REVIEW

N/A

### SAMPLE MOTION:

Motion to **approve/deny/amend** the Non-Union Benefits & Compensation Policy (January 1 2024 thru December 31, 2026).

 <p style="text-align: center;"><b>OTSEGO COUNTY ROAD COMMISSION</b> <b>BOARD POLICY</b></p>	Policy No. P24-2
	Effective Date: 01-01-2024
	Supersede: P18-10

**Non-Union Employee Benefits & Compensation Policy  
January 1, 2024 thru December 31, 2026**

**Recognition**

(a) The term “Employer” when used in this policy shall refer to the Otsego County Road Commission.

(b) The terms “employee” and “employees” when used in this policy shall refer to and include only the following full-time non-union employees:

- (1) Managing Director (FLSA exempt)
- (2) Finance Manager (FLSA exempt)
- (3) Human Resources/Payroll Manager (FLSA exempt)
- (4) Operations Manager/Supervisor (FLSA non-exempt)
- (5) Equipment/Facilities Supervisor (FLSA non-exempt)
- (6) Road Maintenance Supervisor (FLSA non-exempt)

(c) The provisions of this Policy shall supersede all prior policies and understandings between the Employer and employees.

(b) The provisions of this Policy can be amended, supplemented, rescinded, or otherwise altered at any time by the Employer.

**BENEFITS**

**Recognized Holidays**

Ten (10) paid holidays are designated as: New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Veterans' Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day. Should a holiday fall on a Saturday, Friday shall be considered as the holiday. Should a holiday fall on Sunday, Monday shall be considered as the holiday.

**Vacation**

(a) The employee’s eligibility for vacation shall be calculated as of his/her anniversary hire date. Vacation hours shall be based on the following schedule (unless otherwise defined in an employment agreement between an employee of the Otsego County Board of Road Commissioners):

<b>Years of Service</b>	<b>Accrual Rate/Month</b>	<b>Max Annual Accrual</b>
0 to less than 7	1 month/approx. 6.66 hrs.	80 hours
7 to less than 15	1 month 10 hrs.	120 hours
15 to less than 20	1 month/approx. 13.33 hrs.	160 hours
20+	1 month/approx. 16.66 hrs.	200 hours

- (b) Max annual vacation hours are awarded into employee's vacation bank on the first day of the benefit year (January 1<sup>st</sup>). First year employees' hours will be prorated based on hire date.
- (c) If during the year (January 1 thru December 31) an employee leaves the employ of the Employer (retires, terminated, resigns), vacation time banks will be adjusted based upon the employee's anniversary hire date and earned vacation hours will be paid to the employee.
- (d) If an Employee is off on family medical leave, short/long term disability, or workers compensation on January 1, employee will not be awarded their vacation hours into their bank. As such, annual vacation hour banks are subject to adjustment based upon leave of absence status. If an employee returns to service prior to December 31, their vacation hours will be prorated based on return date.
- (e) Vacation request will be granted by the Managing Director (or designee in his/her absence) at such times during the year as are suitable, providing such scheduling does not drastically interfere with the required duties of the employee.
- (f) Vacation banks shall not exceed two hundred (200) hours on December 31. Any vacation banks exceeding two hundred (200) hours as of December 31 will be paid as follows:
  - (1) Employees hired after January 1, 2009 — vacation time exceeding 200 hours as of December 31, shall be deposited into the employee's Municipal Employee's Retirement System (MERS) Health Care Savings Plan (HCSP) account in January of the following year, pre-tax.
  - (2) Employees hired before January 1, 2009 — vacation time exceeding 200 hours as of December 31 shall be paid as follows: 50% shall be paid to the employee in January of the following year. Payments shall be made as part of the regular payroll. 50% shall be deposited into the employee's Municipal Employee's Retirement System (MERS) Health Care Savings Plan (HCSP) account in January of the following year, pre-tax.

**Sick Leave**

The Employer provides sick leave benefits to full-time employees for the purpose of addressing short-term health related matters away from work for the employee and/or the employees immediate family (immediate family shall be defined as the employee's spouse/domestic partner, children and/or stepchildren).

- (a) Employees shall accumulate forty-eight (48) hours per year to be credited to employee's sick leave bank January 1 of each year. First year employees' hours will be prorated based on hire date.
- (b) Sick leave banks shall not exceed 350 hours on December 31 annually. Any hours in excess of 350 hours in an employees' sick leave bank on December 31 will be paid out to the employee in January of the following year. For the first year this policy is implemented, any employee with an excess of 350 hours of sick leave bank as of December 31, 2023 shall be paid out 50% of the banked hours to the employee in January of the following year. Any remaining banked hours will be forfeited and removed from his/her sick bank.
- (c) If an employee is off on family medical leave, short/long term disability, or workers compensation on January 1, employee will not be credited the annual forty-eight (48) hours into their sick leave bank. If an employee returns to service prior to December 31, their forty-eight (48) hours sick leave will be prorated based on return date.
- (d) Sick leave may be used in .25 hour increments. Sick leave is not to be used for vacations or for the purpose of systemically drawing down employee's sick leave bank in anticipation of retirement.
- (e) The Employer shall have the right to request an employee provide a statement from a health care provider concerning the justification for the use of sick leave if sick hours used extends beyond three (3) consecutive days and/or a pattern of abuse of sick time is observed.
- (f) If the illness or injury shall be compensable under the Michigan's Workers' Disability Compensation Act of 1969 as amended, full sick leave payments shall be made to the employee from their accumulated sick leave bank until workers' compensation payments begin. In case sick leave payments combined with workers' compensation benefits results in income in excess of regular wages, the difference shall promptly be paid by the employee to the Employer and sick hours will be credited accordingly. Thereafter, sick leave payments shall be limited to the difference between the amount received as workers' compensation and the employee's regular wages.
- (g) If during the year (January 1 thru December 31) an employee retires, their sick leave bank will be adjusted based upon when the employee was actively working. Employees' unused accumulated sick leave banks, not to exceed 350 hours, shall be deposited into the employee's Municipal Employee's Retirement System (MERS) Health Care Savings Plan (HCSP) account, pre-tax, at the employee's current regular base rate of pay at retirement.
- (h) Employees that are terminated or leave the employ of the Employer voluntarily before reaching retirement, are not eligible for payout of sick leave banks.

### **Paid Personal Leave**

- (a) Employees shall accumulate ninety-six (96) hours per year to be credited to employee's paid personal leave bank January 1 of each year. First year employees' hours will be prorated based on hire date.
- (b) Advance notice of intent to take a personal leave day shall be given to the Managing Director unless it is of an emergency nature or otherwise beyond the employee's control.
- (c) Personal leave days shall not be cumulative from year to year, unless approved by the Managing Director, and have no cash value.
- (d) If an employee is off on family medical leave, short/long term disability, or workers compensation on January 1, employee will not be credited the annual ninety-six (96) hours into their personal leave bank. As such, personal leave banks are subject to adjustment based upon leave of absence status. If an employee returns to service prior to December 31, their ninety-six (96) hours personal leave will be prorated based on return date.

### **Funeral Leave**

An employee shall be allowed four (4) working days as funeral leave, not to be deducted from vacation or sick leave banks, for a death in the immediate family. Immediate family is to be designated as follows: Mother, Father, Brother, Sister, Wife or Husband, Son or Daughter, Father-In-Law, Mother-In-Law and Step- Parents; and only two (2) working days funeral leave shall be allowed for Sister-In-Law and Brother-In-Law. One (1) working day funeral leave shall be allowed for Grandparents of the employee or spouse. The payment for funeral leave for one (1) day shall be the employee's actual work hours for that day. There shall be no overtime payment.

### **Family Medical Leave**

A family medical leave of absence (FMLA) is subject to the Employer's adopted FMLA policy to ensure that all State and Federal regulations are followed.

### **Witness and Jury Duty**

- (a) An employee who serves on jury duty or is subpoenaed to testify in matters relating to his/her employment with the Employer, will be paid the regular days' pay and shall turn in any jury- witness fees received to the Employer.
- (b) The employee will be required to report to work after being released from jury duty or as a witness, provided however, if there are three (3) hours or less remaining to work he/she shall not be required to report back for work.
- (c) Mileage and meal allotments shall not be deducted from the portion the Employer pays the employee if the duty is outside Otsego County. An employee will not be required to turn in any jury duty or witness fee that exceeds the employee's pay.
- (d) In order to receive payment under this Article, an employee must give the Employer prior notice that he/she has been summoned for jury duty and must furnish satisfactory evidence that jury duty was performed on the days for which payment is claimed.



## **Health Insurance**

- (a) The Employer will make group health insurance coverage available for active full-time employees and their eligible dependents and contribute toward the total cost of hospitalization medical coverage in amounts not to exceed those subject to provisions of applicable laws; subject to such restrictions, definitions, rules, procedures and other limitations as may be applied by the Employer or its insurance carriers; and subject to other provisions of this policy, including but not limited to those requiring participating employees to pay any part of applicable premiums. Coverage shall become effective on the first (1st) of the month following completion of thirty (30) calendar days of continuous employment with the Employer.
- (b) It is paramount for the Employer to investigate options which will reduce financial liability in regard to healthcare costs. Options to be considered may include, but not limited to, alternative health care providers, specific cost containment programs and alternative traditional plans. Health insurance renewals will be reviewed on an annual basis by the Employer and will be selected based on the Employer's financial ability to pay and the desire of the Employer to provide employees with optimal health insurance benefits at the lowest cost to employees. The Employer will be open and transparent with employees regarding health care cost containment review and shall keep employees informed and solicit feedback on options when prudent.

## **Payment in Lieu of Health Insurance**

- (a) Active employees who are covered by a Health Care Plan by another Employer may elect to receive annual amounts of \$2,000.00 for single coverage, \$4,000.00 for 2-person coverage, \$5,000.00 for family coverage, in lieu of the coverage, payable in quarterly payments each year (payment amounts subject to proration based upon plan eligibility dates). Employees must provide proof of coverage by another healthcare plan each year to receive payment in lieu of the coverage.
- (b) Retirees who were hired prior to 2009 and who retire under the MERS Retirement Plan with full retirement benefits, until they become Medicare eligible, who are covered by a Health Care Plan by another employer may elect to receive annual amounts of \$2,000.00 for single coverage in lieu of the healthcare coverage, payable in quarterly payments each year (payment amounts subject to proration based upon plan eligibility dates). Eligible retirees must provide proof of coverage by another healthcare plan each year to receive payment in lieu of the coverage.

## **Workers Compensation Insurance**

The Employer shall provide workers' compensation benefits for employees consistent with Michigan's Workers' Disability Compensation Act of 1969 as amended. The Employer fulfills its workers' compensation legal obligations by participating in a state approved self-insured group fund called the County Road Association Self-Insurance Fund (aka CRASIF) which insures and administers workers' compensation benefits to employees.

## **Life Insurance**

Life insurance is provided at an amount equal to 1 times Employee's annual salary, but in no event less than \$0 or more than \$75,000. Coverage shall become effective on the first (1st) of the month following completion of thirty (30) calendar days of continuous employment with the Employer.

## **Short Term Disability Insurance**

The Employer shall provide Short Term Disability (STD) coverage for each permanent full-time employee who has been employed at least thirty (30) days. The Employer will provide coverage for sixty-six and 2/3 percent (66 2/3%) of the employee's gross wage. Employees will be provided with a copy of the policy and terms upon putting the STD in place. All terms and conditions stated in the STD policy shall be adhered to and are incorporated by reference hereunder. If there is any conflict between the provisions stated herein and the policy terms, the policy terms shall prevail. Employees shall not engage in other employment during Short Term Disability leave. Coverage shall become effective on the first (1st) of the month following completion of thirty (30) calendar days of continuous employment with the Employer.

## **Long Term Disability Insurance**

The Employer shall provide Long Term Disability (LTD) coverage for each regular full-time employee who has been employed at least thirty (30) days. Such coverage shall become effective upon exhaustion of STD benefits according to the terms of the policy in place. The Employer shall provide coverage sixty-six and 2/3 percent (66 2/3%) of the employee's gross wage. All terms and conditions stated in the LTD policy shall be adhered to and are incorporated by reference hereunder. If there is any conflict between the provisions stated herein and the policy terms, the policy terms shall prevail. Employees shall not engage in other employment during Long Term Disability leave. Coverage shall become effective on the first (1st) of the month following completion of thirty (30) calendar days of continuous employment with the Employer.

## **Retirement Plans**

- (a) Employees hired on or after June 1, 2023 are not eligible to participate in a defined benefit pension plan. Instead, employees hired on or after June 1, 2023 may be enrolled in the Municipal Employee's Retirement System (MERS) 457 Retirement Plan with an Employer match up to 5%. Employees participation in the Plan is voluntary.
- (b) Employees hired prior to June 1, 2023 shall remain in their current defined benefit pension plan division, including union employees that may transfer into a non-union position under this Policy as follows:
  - i. Division 10 of the Michigan Municipal Employee's Retirement System (MERS) Defined Benefit Plan, 2.0% multiplier, with age sixty (60) as normal retirement, ten (10) year vesting and FAC 5 years. Employees shall contribute 5% of their gross income towards their retirement benefit.
  - ii. Division 01 of the Michigan Municipal Employee's Retirement System (MERS) Defined Benefit Plan, 2.5% multiplier, F55 waiver (age 55 with 25 years of service), ten (10) year vesting and FAC 5 years. Employees shall contribute 5% of their gross income towards their retirement benefit.

- iii. Division 11 of the Michigan Municipal Employee's Retirement System (MERS) Defined Benefit Plan, 2.5% multiplier, F55 waiver (age 55 with 25 years of service), ten (10) year vesting and FAC 5 years. Employees shall contribute 5% of their gross income towards their retirement benefit.

### **Retirement Healthcare**

- (a) Employees hired after January 1, 2009 the Employer shall contribute 5% of employees' base wage into their Municipal Employee's Retirement System (MERS) Health Care Savings Plan (HCSP) account each pay-period. Each pay-period, employees shall pay 1% of their gross pay, pre-tax, into their HCSP account.
- (b) Employees hired before January 1, 2009 and who retire under the Municipal Employee's Retirement System (MERS) Retirement Plan with full retirement benefits, until they become Medicare eligible, will be offered the same healthcare coverage only (no dental and/or vision), deductibles, and contributions as active employees. The Employer will only pay for single coverage for the employee/retiree only. All healthcare coverage will cease upon becoming Medicare eligible.

### **Cell Phone Reimbursement**

The Employer requires the Managing Director, Operations Manager/Supervisor, Equipment/Facilities Supervisor and Road Maintenance Supervisor to be available 7-days a week and after hours by cell phone. Employees in these positions will either be provided with a cell phone owned by the Otsego County Road Commission, or the employee may choose to use his/her personal cell phone in which case the Employer will reimburse the employee \$50.00 per month, subject to required taxes on a quarterly basis.

### **Uniforms/Boot Reimbursement/Safety Equipment**

The Employer agrees that if a FLSA non-exempt defined employee in this Policy is required to wear at any time, a uniform as a condition of his/her employment, such uniforms shall be furnished and maintained by the Employer. FLSA non-exempt defined employees in this Policy will be reimbursed up to \$150 per year to be used for safety-toe work boots. Employer shall provide employees with hard hats, standard safety vests, hearing protection, chaps and other specialized PPE needed for specific tasks in compliance with MIOSHA Standards.

## **COMPENSATION**

### **Work Week and Working Hours**

The work week shall commence at 12:01 a.m. Monday and terminate 12:00 a.m. Sunday. The normal work week shall be five (5) eight (8) hour days, with thirty (30) minutes off for lunch not included in the working hours. The Employer may, in its discretion, implement a four (4) day ten (10) hour per day work week. When the Employer utilizes the ten (10) hour work schedule, employees shall be entitled to a ten (10) minute break period, generally from 9:00 a.m. to 9:10 a.m., and a second fifteen (15) minute break period for lunch, generally from 12:00 p.m. to 12:15 p.m. included in the working hours. It is understood that the timing of the break periods may vary due to the nature of the work performed. Field service work may not allow for the ability to access food retailers; thus employees are encouraged to carry the necessary food and beverages with them. The ten (10) hour schedule would begin no earlier than the

Monday of the fourth full week in April and end no later than the Monday of the second week after Labor Day in September. The Employer shall provide a minimum of 5 working days' notice to employees before beginning or ending the ten (10) hour schedule.

**Wage Rates.** Wage increases shall become effective the first date after the last payroll each year. Wage rates are as follows:

Position	FLSA Status	(3%) 2024	(3%) 2025	(3%) 2026
Managing Director	Exempt	\$49.74	\$51.23	\$52.77
Finance Manager/Board Secretary	Exempt	*\$32.70	\$33.68	\$34.69
Human Resources/Payroll Manager	Exempt	\$26.44	\$27.23	28.05
Operations Manager/Supervisor	Non-Exempt	**\$36.06	\$37.14	\$38.26
Equipment/Facilities Supervisor	Non-Exempt	\$35.75	\$36.82	\$37.92
Road Maintenance Supervisor	Non-Exempt	*\$35.11	\$36.16	\$37.24

\*2024 rate includes market salary adjustment

\*\*Employee hired at 2024 rate in late 2023

### Overtime

Overtime will be permitted for FLSA non-exempt defined employees in this Policy only when authorized by the Managing Director. Overtime will be paid at time and one-half (1½) including work performed on **Sundays and holidays**. It is recognized by the employees that the Otsego County Road Commission exists by statute to maintain roads within the county in a reasonably safe condition for the traveling public. To protect the public, non-exempt employees must keep themselves reasonably available to coordinate and supervise snow and ice removal and other emergency work. It is the employee's responsibility to be aware of weather conditions and be ready and available to work reasonable amounts of overtime when inclement weather occurs.

### Compensatory Time

FLSA exempt employees are paid on a salary basis and are not entitled to any additional compensation under the Fair Labor Standards Act for hours worked over 40 in a workweek. However, in recognition that occasionally FLSA exempt employees encounter situations at work where extraordinary time and effort is required beyond the employee's regular work schedule to complete special tasks, FLSA exempt employees may receive compensatory time off in lieu of additional compensation for such irregular or occasional work, but only if authorized by the Managing Director. Where such authorization is given, one hour of compensatory time off will be granted for each hour actually worked over 40 in a workweek ("straight time accrual").