



**PROFESSIONAL, ADMINISTRATIVE,
CONFIDENTIAL AND TECHNICAL
(PACT) EMPLOYEE
BENEFITS AND PERSONNEL POLICIES**

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PURPOSE AND INTENT

1
2
3 The City of Mt. Pleasant is a forward-thinking organization, which, in adopting a culture of
4 organizational development, seeks to continuously improve its work processes through the
5 use of team concepts.

6
7 The Employees and Employer, as equal partners in this effort, are committed to forming a
8 strong, amicable working relationship, based on the principles of organizational development.
9 We are dedicated to combining the most creative efforts to all team members to assure the
10 long-term health of the organization, service excellence for Mt. Pleasant's citizen, the
11 betterment of the community, and a beneficial working climate for all employees.

12
13 The following is a compilation of Human Resource policies and fringe benefits applicable to
14 Professional, Administrative, Confidential and Technical (PACT) employees of the City of Mt.
15 Pleasant. Primary emphasis of this document is the enumeration of benefits that when
16 combined with salaries or wages, constitute compensation packages for these employees.

17
18 This document, when coordinated with other City policies outlines the guidelines under which
19 PACT employees will operate and basic employee policies significant to the positions
20 considered herein. A job description outlining the duties and responsibilities of each job is
21 available for all PACT job classifications in the Human Resources Department.

22
23 Please note that all employees covered by these employee policies serve at the appointment
24 of the City Manager or the City Commission and at the discretion of the City Commission or
25 City Manager. Accordingly, employees are not employed for any definite period of time and
26 employment can be terminated by either the City or the employee at any time regardless of
27 reason, and the basis of employment (and any other Human Resource matters) cannot be
28 changed or altered in any way, except in writing signed by the City Manager, enacted by the
29 City Commission or executed in writing by the Human Resources Director on behalf of the
30 City Manager or City Commission.

31
32 The employees affected by the policies contained in this document are as follows:

- 33
34
- 35 • appointees of the City Manager or City Commission
 - 36 • professional and computer employees
 - 37 • administrative employees
 - 38 • confidential employees
 - 39 • technical employees

40 The employees covered herein may be either exempt or non-exempt employees as defined
41 by the Fair Labor Standards Act, (FLSA) in accordance with individual job duties and job
42 descriptions.

1 **Article I. FAIR LABOR STANDARDS ACT (FLSA) REQUIREMENTS**

2
3 Section 1.01 **Salary Status According to the FLSA**

4
5 (a) Exempt Employees According to FLSA

6
7 The FLSA lists certain criteria that identify those employees who are exempt
8 from coverage under certain provisions of the Act. Among the qualifiers for
9 exempt employees are: salary levels, discretion and independent judgment;
10 hiring, training and supervision of other employees and impact on management
11 policies or general business operations.

12
13 Division Directors, Department Heads and additional personnel who meet the
14 definition of executive, administrative, professional or computer-related
15 occupations according to FLSA are classified as exempt employees.

16
17 (b) Non-Exempt Employees According to FLSA

18
19 Non-exempt employees are those employees covered by FLSA rules and shall
20 generally include all non-supervisory staff members covered by these policies.

21
22 Section 1.02 **Classification**

23
24 (a) Executive, Administrative, Professional and Computer-
25 Related Occupation Employees

26
27 Executive, Administrative, Professional and Computer-Related employees are
28 those salaried employees who, by virtue of their job duties fulfill the FLSA
29 exemption criteria for Executive, Administrative, Professional and Computer-
30 Related occupations as defined in the Code of Federal Regulations Pertaining
31 to ESA, 29CFR, Part 541; Defining and Delimiting the Exemptions for
32 Executive, Administrative, Professional, Computer and Outside Sales
33 Employees. You may review the regulations at the following website:
34 http://www.dol.gov/dol/cfr/title_29/chapter_v.htm.

35
36 (b) Confidential Employees

37
38 Confidential personnel have unrestricted access to confidential City files and
39 confidential Human Resource files. These employees are charged with
40 maintenance of those records as outlined by the job description and possess
41 knowledge pertinent to labor relations and other City negotiations. Generally,
42 confidential employees directly assist those individuals who effectuate
43 management policy with regard to labor relations.

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(c) Technical Employees

These employees staff occupations requiring advanced knowledge in a field of science or learning and perform production-oriented tasks related to those skills. Technical employees have specific and specialized training and may carry a recognized certification or degree. Project-oriented, technical employees exercise discretionary and independent judgment in a defined field of operation.

Article II. RESIDENCY REQUIREMENTS

The City of Mt. Pleasant will comply with all State residency requirements as directed by law, "The Residency Act of 1999."

Article III. FRINGE BENEFITS

Section 3.01 Part-Time Employees

A part-time employee is defined as an employee who is regularly scheduled to work twenty (20) or more hours per week but less than forty (40) hours per week.

A statement of benefits will be provided to a part-time employee at the time of hire. Part-time employees shall be entitled to vacation, sick leave, holiday pay, funeral leave, wellness benefits, deferred compensation programs, the Health Care Savings Program and flexible spending accounts. Vacation and sick leave accruals (maximum accumulations and payout) will be pro-rated based on the average number of straight-time hours worked a month. In an emergency, the City Manager may grant additional leave without pay.

Section 3.02 Annual Vacation Leave

Unless otherwise specified, each full time employee will accrue annual vacation leave from the date of employment. Leave accumulates each month in which the full-time employee is on payroll fifteen (15) days, or more than 120 hours per month from the date of employment.

An eligible employee may take vacation leave in no less than 1 hour increments, any fraction of an hour will be charged as a full hour.

<u>Years of Employment</u>	<u>Full-Time Vacation Earned</u>
1 year through 6	80 hours
7 years through 12	120 hours
13 years through 20	160 hours
21 years and more	200 hours

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1 The maximum amount of unused vacation leave, which may be accumulated in
2 a calendar year and carried into the following calendar year, is 280 hours for
3 full-time employees hired prior to January 1, 2016. Employees hired on or after
4 January 1, 2016, in a full-time capacity may accrue a maximum of 240 hours of
5 vacation leave.
6

7 Upon voluntary termination of employment for other than a leave of absence, an
8 employee will be paid for unused vacation leave earned up to the time of
9 termination, provided that two (2) weeks prior written notice of the separation is
10 given. Upon retirement, the Retirement Notification section of this document
11 must be satisfied to receive payment for unused vacation leave.
12

13 All full-time employees covered by these policies that have unused vacation
14 days at year end may receive payment for a maximum of 80 hours in any given
15 year in the month of December provided:
16

- 17 1. At least 80 hours of vacation leave has been used in the current year.
- 18 2. Payment was assumed and budgeted for.
- 19 3. The sell back of vacation time is approved by the appropriate supervisor.
20 Refer to Section 3.07 (b) Health Care Savings Program for options.
21

22 Employees are asked to notify their supervisor of proposed vacation leave as
23 far in advance as possible.
24

25 At hire, an employee with significant years of service and experience in a job
26 classification substantially equivalent to that of the City's position may be
27 granted additional vacation time. The Division Director may offer vacation leave
28 equal to but not to exceed 120 hours for a full-time employee. For existing
29 employees, additional vacation time may be granted at time of promotion or re-
30 organization with Division Director and City Manager approval.
31

32 Section 3.03 **Sick Leave**

33 Full-time employees will accrue eight (8) hours of sick leave from the date of
34 employment. Leave accumulates each month in which the full-time employee is
35 on payroll fifteen (15) days or more than 120 hours per month from the date of
36 employment.
37

38 All employees may use sick leave in hourly increments with each fraction of an
39 hour charged as a full hour.
40

41 Leave may be used in hourly increments for the following purposes:
42

- 43 1. Personal illness
44
45
46
47

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- 1 2. Extension of worker's compensation benefits for job-related illness or
2 injury
- 3
- 4 3. Illness or medical appointments for the employee's immediate household
5 and/or family, as defined below.
- 6
- 7 • Immediate family shall be defined as spouse, child, parent, parent of
8 a current spouse, sister, brother, grandparent or any step-family
9 member in any of the categories identified previously.
- 10
- 11 4. In hourly units of one (1) hour or more for the purpose of medical
12 appointments with any fraction of an hour to be charged as a full hour.
- 13

14 An employee who is ill and notifies his/her supervisor prior to or within a
15 reasonable time following his/her normal starting time will be granted sick leave.

16 The maximum accumulation of sick leave is 200 days or 1,600 hours for full-
17 time employees hired prior to January 1, 2016. Employees hired on or after
18 January 1, 2016, in a full-time capacity may accrue a maximum of 130 days or
19 1,040 hours of sick leave.

20

21 For an active employee, on an annual basis one-half (1/2) of the value of all
22 sick leave hours in excess of 1,600 or 1,040 (depending on date of hire) on
23 December 31 will be contributed to the employee's Health Care Savings
24 Program (HCSP) in January of the following year.

25

26 Upon retirement (refer to the Retirement Notification section of this document),
27 the employee is entitled to payment of one-half (1/2) of the accumulated sick
28 leave up to a maximum of 800 or 520 hours (depending on date of hire) for full-
29 time employees, computed at the employee's rate of pay at the time
30 employment ceases. A retiring employee may elect to have one half (1/2) of
31 any sick leave hours in excess of 1,600 or 1040 (depending on date of hire)
32 contributed to their HCSP. To meet the timelines defined by the MERS HCSP,
33 the retiring employee must make this voluntarily election no less than two
34 weeks prior to his/her retirement date and complete the required paperwork as
35 provided by Human Resources. The form authorizes the City to increase the
36 employee's final pre-tax HCSP deposit in the amount of the eligible excess sick
37 leave hours. If the retiring employee does not complete the form within the time
38 required the employee will be ineligible for the benefit.

39

40 In the event of death, the employee's estate shall be compensated for one-half
41 (1/2) the employee's accumulated sick leave up to a maximum of 800 or 520
42 (dependent on date of hire) hours for full-time employees. Payment shall be
43 based upon the employee's rate of pay at the time employment ceased. One
44 half (1/2) of any hours in excess of 1,600 or 1,040 (depending on date of hire)
45 will be contributed to the Health Care Saving Program.

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1 Section 3.04 **Personal Leave**

2
3 On January 1, each full-time employee shall be credited with 32 hours of
4 personal leave. Such leave may be used for personal business in multiple units
5 of one (1) hour. All full-time employees who begin employment with the City
6 after January 1 shall be credited with prorated personal leave hours as follows:
7

8	9 <u>Days of Service</u>	10 <u>Full-time</u>
11	270	32 hours
12	204 - 269	24 hours
13	136 - 203	16 hours
14	68 - 136	8 hours

15
16 Such leave may not be accumulated, carried over past December 31 of each
17 year or paid for upon termination of employment. Personal leave must be
18 approved in advance by the Division Director or Department Head.
19

20 Section 3.05 **Holidays**

21
22 The following days shall be considered paid holidays for time that would
23 otherwise have been worked.
24

- 25 (1) New Year's Day
- 26 (2) Memorial Day
- 27 (3) Fourth of July
- 28 (4) Labor Day
- 29 (5) Thanksgiving Day
- 30 (6) Day following Thanksgiving Day
- 31 (7) Day before Christmas
- 32 (8) Christmas Day
- 33 (9) One-half (1/2) day on Good Friday

34
35 Full-time and part-time employees shall be entitled to pay for days off on
36 recognized holidays immediately upon employment. Part-time employees will
37 be paid only for scheduled hours on an observed Holiday. Example: four (4)
38 hours scheduled on a day that falls on the holiday, will result in the employee
39 receiving four (4) hours paid holiday time.
40

41 A salaried non-exempt or hourly PACT employee required to work on a City
42 recognized holiday will be compensated at an overtime rate (time and one-half)
43 for all hours worked, in addition to being paid the standard holiday pay.
44

45 A salaried person required to work on a holiday will be paid their holiday time
46 for the recognized holiday and will be provided flexibility in their work schedule
47 during the remainder of the holiday week, based on advance approval by the

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1 Supervisor.

2
3 When a holiday falls on a Saturday or Sunday, the preceding or following
4 weekday will usually be observed as the holiday.
5

6 Section 3.06 **Other Leave Provisions**

7 8 (a) Military Leave

9
10 Employees who belong to the National Guard, Officers Reserve Corps or
11 similar military organization will be allowed the normal fifteen (15) days leave of
12 absence without pay when ordered to active duty for training. The City will pay
13 the difference between the employee's military pay and regular pay if the
14 military pay is less. If the employee takes vacation time for his/her service time,
15 he/she will receive full vacation pay.
16

17 Federal guidelines will be followed when employees belonging to the National
18 Guard, Officers Reserve Corps or similar military organization are called to
19 active duty.
20

21 (b) Extended Personal Leave

22
23 A leave of absence without pay may be granted by the City Manager for
24 personal reasons up to ninety (90) days.
25

26 (c) Education Leave

27
28 The City Manager may authorize an unpaid educational leave of not more than
29 one (1) year.
30

31 (d) Jury Duty Leave

32
33 An employee who is summoned and reports for jury duty shall be granted a jury
34 leave of absence with pay for such period. An employee granted a leave of
35 absence under this section that reports for jury duty on a day the employee is
36 otherwise scheduled to work shall be paid for time spent performing jury duty at
37 the employee's straight time regular rate of pay for up to the number of straight
38 time hours the employee was otherwise scheduled to work. In order to receive
39 payment under this section an employee must give the Employer prior notice as
40 far in advance as possible that the employee had been summoned for jury duty
41 and the employee must furnish satisfactory evidence that jury duty was
42 performed at the summons of the Court on the days the employee claims jury
43 duty pay. An employee who is summoned by the Court for jury duty but who
44 does not serve as a juror must report for work promptly after being excused.
45 Immediately upon payment from the court for jury duty attendance, the
46 employee will bring the payment to the City Treasurer. The City Treasurer will
47 retain the per diem portion of the payment and reimburse the employee for the

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1 the essential functions of the employee's job.
2

- 3 5. A qualifying exigency (emergency, crisis, circumstance, difficulty,
4 hardship) arising as a result of the employee's spouse, son, daughter or
5 parent being on active duty (or having been notified of an impending call
6 or order to active duty) in the Armed Forces, National Guard or Reserve
7 in support of a "contingency operation."
8

9 The maximum amount of general FMLA leave available to eligible employees is
10 up to a total of 12 workweeks during a 12-month period of time. The 12-month
11 period of time for determining the amount of general FMLA leave the employee
12 has used is the rolling 12 months immediately preceding the date the employee
13 uses any general FMLA leave. General FMLA leave may be taken for a
14 consecutive period of time or in certain circumstances, it may be taken on an
15 intermittent (taken in blocks of time) basis or on a reduced weekly or daily work
16 schedule basis.
17

18 (ii) Military Caregiver FMLA Leave 19

20 Reason for Leave: To care for a service member who is a current member of
21 the regular Armed Forces, National Guard or Reserve or who is a member of
22 one of those units but on the temporary disability retired list who has a serious
23 injury or illness incurred in the line of duty while on active duty and for which the
24 service member is undergoing medical treatment, recuperation or therapy; or is
25 otherwise in outpatient status; or is otherwise on the temporary disability retired
26 list.
27

28 The maximum amount of military caregiver FMLA leave available to eligible
29 employees is up to a total of 26 workweeks during a single 12-month period of
30 time. The "single 12-month" period of time begins on the first day the employee
31 takes military caregiver FMLA leave and ends 12 months after that date.
32 Military caregiver FMLA leave may be taken for a consecutive period of time or
33 in certain circumstances it may be taken on an intermittent (taken in blocks of
34 time) basis or on a reduced weekly or daily work schedule basis.
35

36 (iii) Eligibility Requirements 37

38 Even though the reason for needing leave qualifies under the general FMLA
39 leave or the military caregiver FMLA leave, an employee must also meet the
40 eligibility requirements established by the law. FMLA leave is available only if
41 an employee satisfies all of the following three (3) preliminary eligibility
42 requirements.
43

- 44 1. Preliminary Requirement #1: 12 Months of Employment. The employee
45 requesting leave must have been employed by the City for at least 12
46 months preceding the leave. This is measured as of the date the
47 employee's requested FMLA leave commences.

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1 shall be given to the Human Resources Department by the employee as soon
2 as the employee is first aware of the condition. Employees who are anticipating
3 a medical leave of absence under this section may be required to present a
4 physician's certificate to Human Resources, recommending that the employee
5 continue to work and in all cases, the employee's attendance, job
6 responsibilities, personal health needs and safety must be satisfactorily
7 maintained. An employee desiring to return to work from an injury or medical
8 leave of absence under this section must present a physician's certificate,
9 indicating that the employee is physically and medically able to return to work
10 and to satisfactorily perform the employee's job or present other verification
11 acceptable to the Employer.

12
13 In situations where an employee's physical, medical or mental condition raises
14 a question as to the employee's capabilities to satisfactorily perform the
15 employee's job, or the safety of the employee or others, the Employer may
16 require a fitness for duty medical examination and certificate from the
17 employee's physician and/or require the employee to take a leave of absence;
18 provided, however, that this right shall not prohibit the Employer from taking any
19 other action as may be deemed appropriate under the circumstances. If the
20 Employer thereafter still questions the employee's condition, the Employer may
21 require a second fitness for duty medical examination and opinion paid for by
22 the Employer by an Employer selected physician and/or require the employee
23 to take a leave of absence; provided, however, that this right shall not prohibit
24 the Employer from taking any other action as may be deemed appropriate
25 under the circumstances.

26
27 In any situation involving the granting of a leave of absence under this section
28 or the continuance of a leave of absence or the return to work from a leave of
29 absence where medical proof or substantiation or approval is required, the
30 Employer, in all cases, reserves the right to require a second medical
31 examination paid for by the Employer by an Employer selected physician.

32
33 Failure to provide any statement, certificate, substantiation or notification as
34 may be required under this section may, as determined by the Employer,
35 disqualify an employee from consideration for a medical leave of absence.

36
37 Any leave of absence time (paid or unpaid) taken by an employee for certain
38 family or medical reasons pursuant to the FMLA (Family Medical Leave Act)
39 section of this document shall be counted as part of and credited against the
40 maximum amounts of leave time set forth in this section.

41 42 Section 3.07 **Insurance Benefits**

43 44 (a) **Medical and Hospitalization**

45
46 The Employer agrees to make available a group hospitalization benefit
47 program, approved by the Employer, for eligible employees who are scheduled

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1 to work thirty (30) or more hours per week on a continuous basis and who elect
2 to participate covering certain hospitalization, surgical and medical expenses for
3 employee-only coverage and for eligible dependent coverage. The spouse of
4 an employee who has health insurance available through his/her employer must
5 enroll in the health insurance if, as determined by the Employer, the cost to the
6 spouse is not prohibitive. The Employer agrees to provide employee-only and
7 eligible dependent coverage under terms and conditions governing the group
8 benefit program as set forth in the master policy or policies governing the
9 program.

10 The group benefit program becomes effective for eligible employees on the first
11 (1st) day following completion of thirty-one (31) days of employment. Premium
12 co-share deductions will be taken in equal amounts and will be made on pre-tax
13 basis over the first twenty-four (24) of the twenty-six (26) pays per year.

14 New employees, whose insurance becomes effective on or before the fifteenth
15 (15th) day of the month, will pay a full month's premium co-share. (Employees
16 whose insurance becomes effective after the fifteenth (15th) day of the month
17 begin paying the premium co-share the following month.) Premium co-share
18 payments are deducted from the employee's payroll check beginning with the
19 first pay date following the effective date of benefits on a prorated basis over
20 the remaining pays.

21 In the event that an employee quits or the employee's employment with the
22 Employer is otherwise terminated, or in the event that an employee is on layoff,
23 any premium co-share due will be deducted from the employee's final regular
24 paycheck. The group benefit program and the employee's obligation for
25 premium co-share shall continue in effect until the end of the last day of the
26 month in which the quit, termination or layoff occurs. In the event that an
27 employee is on leave of absence, the group benefit program shall continue in
28 effect until the end of the last day of the month in which the leave of absence
29 occurs; provided, however, that the group benefit program may be continued
30 thereafter during the leave of absence, provided the employee makes the
31 proper arrangements and the employee makes timely payment of the required
32 cost of the benefit program. Other specific terms and conditions governing the
33 group benefit program are set forth in the master policy or policies governing
34 the program.

Traditional Medical Plan

Annual Employee Premium Co-Share: This is a pre-tax deduction from an employee's paycheck that is prorated over the first 24 pay periods each year.

Going forward the annual premium co-share will change by 10% of the average change in per employee medical insurance costs from the previous two (2) years. For example, in 2016 rates were determined by

2016

- \$555.00 Individual
- \$1,006.00 Family

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<i>the increase costs incurred in 2013-2014.</i>		
	In-Network	Out-of-Network
Benefit Level	90/10% unless noted under the plan	70/30% of reasonable and customary (R&C) charges on most services
Annual Deductible	<ul style="list-style-type: none"> ➤ \$150 Individual ➤ \$300 Family 	<ul style="list-style-type: none"> ➤ \$ 300 Individual ➤ \$ 600 Family
Out-of-Pocket Maximums <i>(Does not include the deductible or service fees)</i>	<ul style="list-style-type: none"> ➤ \$600 Individual ➤ \$1,200 Family 	<ul style="list-style-type: none"> ➤ \$ 2,500 Individual ➤ \$ 5,000 Family

Expenses applied toward the Non-Network out-of-pocket maximum will be used to satisfy the Network out-of-pocket maximum, however, expenses applied to the Network out-of-pocket maximum will not be applied to the Non-Network out-of-pocket maximum.

Traditional Plan and the Wellness Program

A \$250 annual Health Care Flexible Spending account contribution will be provided to Wellness Program participants enrolled in the traditional health care plan and those employees that opt-out of the City's medical insurance plan. The benefit will be provided to program participants who, following six months enrollment, complete the clinical assessment, if needed, and participate in a six-month health status meeting with the Health Coach. If at enrollment the employee's clinical values are in the optimal range, the employee will not need to participate in the second clinical assessment, but the employee will be required to have a health status meeting with the Health Coach.

Enrollees may earn an additional \$250 annually to be applied to their Health Care Flexible Spending account by earning a minimum of \$50 in Wellness Program rewards twice annually in the prior year. A component of the \$50 reward must include being tobacco free. The Health Care Flexible Spending account may be used as outlined by the Internal Revenue Service. The use of funds in this account will follow the City's flex calendar and IRS guidelines. For details on the IRS guidelines visit <http://www.irs.gov/publications/p502/index.html>.

Prescription Drug Program

Year	Employee Co-Payment
	<ul style="list-style-type: none"> ➤ 20% of the cost with a minimum of \$15 not to exceed \$35 per prescription, regardless if generic or brand name ➤ \$50 co-pay on drugs costing \$500 or more ➤ Mail order: 2 x retail co-pay for a 90-day supply <ul style="list-style-type: none"> ○ \$100 co-pay on mail order prescriptions costing more than \$1,500 for a 90 day supply ➤ Over the counter incentive – employees will be reimbursed for drugs which are purchased over the counter and are prescribed by a physician. \$250/month total maximum co-pay per enrolled person not to exceed \$3,000 annually for single enrollee or \$9,000 for family coverage.

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1 In lieu of the traditional health insurance and prescription drug program, a
2 consumer driven health insurance with a Health Reimbursement Account (HRA)
3 and prescription drug program (see plan document for details) is available to all
4 employees through the cafeteria plan.
5

6 Summary statements of benefits and coverage for such insurance plans and
7 any recognized Section 125 (Cafeteria) Plan are available to each employee
8 through the City's intranet and the Human Resources Department.
9

10 (b) Health Care Savings Program

11
12 All employees shall participate in the Municipal Employees' Retirement System
13 (MERS) Health Care Savings Program. Employees must, on a pre-tax basis,
14 contribute the minimum amount for participation.
15

16 The Health Care Savings Program will be administered in accordance with the
17 Municipal Employees' Retirement System Health Care Savings Program plan
18 document and IRS regulations. If a conflict exists between this policy and the
19 IRS regulations, the latter prevails.
20

21 (i) Year End Vacation Payment

22
23 Annually by November 15 an employee desiring to receive payment for
24 vacation leave as outlined in Section 3.02 must complete and submit to the City
25 Payroll Office a leave conversion form indicating the number of eligible vacation
26 leave hours for which the employee would like to receive payment. Any
27 remaining hours of leave conversion after the December payout will be
28 contributed to the MERS Health Care Savings Program during January of the
29 following year.
30

31 (ii) Retirement

32
33 No less than two weeks prior to an employee's retirement date, the employee
34 may complete and submit to the City Payroll Office a leave conversion form
35 indicating the number of eligible sick and vacation leave hours the employee
36 desires to receive in a check as a cash out of the eligible balances. At the date
37 of retirement, 100% of the cash value of any remaining and eligible sick and
38 vacation leave balances shall be contributed to the employee's Health Care
39 Savings Account.
40

41 (c) Life Insurance

42
43 Full-time employees shall be provided with term life insurance and accidental
44 death and dismemberment insurance equal to twice their annual salary or
45 earnings at straight time rates for 2,080 hours per year, rounded to the nearest
46 \$1,000 coverage. Coverage becomes effective for eligible employees the first
47 (1st) day of the month following completion of thirty (30) days of employment.

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(d) Dental Insurance

1
2
3 The City of Mt. Pleasant will provide dental insurance for all full-time employees
4 and eligible dependents covered by this policy beginning on the first day
5 following 31 days of employment. The City shall cover the annual enrollment
6 cost for single coverage in the premium plan for each full-time PACT employee.
7 Spouse and dependent coverage may be purchased by the employee at the
8 group rate, paid through payroll deduction.
9

10 Full-time employees who retire shall be eligible to participate in the group dental
11 insurance plan. The cost of the retired employee's and eligible dependents'
12 coverage is the responsibility of the retiree. Such payments shall be in
13 accordance with procedures established by the City. If a retired employee is
14 removed or discontinues participation in the group dental insurance plan, with
15 the exception of the one-time deferral option, the retired employee shall not be
16 allowed to again become a participant.
17

18 Summary statements of benefits and coverage for such insurance plans and
19 any recognized Section 125 (Cafeteria) Plan are available to each employee
20 through the City's intranet and the Human Resources Office.
21

(e) Vision Insurance

22
23
24 The City of Mt. Pleasant will provide the opportunity to enroll in vision insurance
25 for all full-time PACT employees and eligible dependents. Coverage will begin
26 on the first day following 31 days of employment. Employees may purchase
27 coverage for individual (the employee), two-person or the family. See the Plan
28 Document for details on the coverage structure.
29

(f) Education Benefit

30
31
32 The Employer will provide education assistance for all full-time employees not
33 to exceed \$5,250 in 2016. The assistance amount is evaluated on an annual
34 basis and will follow the IRS exemptions and guidelines. Payment will be made
35 following receipt of a bill from an accredited adult education school or university.
36

37 The above coverage will be available provided the following conditions are met:
38

39 The application for reimbursement is submitted and approved by the Human
40 Resources Director prior to enrollment in accordance with the advance
41 notification requirement established in this paragraph. The Employer's budget
42 for the fiscal year is usually finalized in the month of December following a six
43 (6) month budgetary process and, therefore, in order for an application to be
44 eligible for consideration, an employee seeking further education under this
45 Section is required to submit the application for approval to the Human
46 Resources Director no later than May 1 of the current year.
47

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1. The course is job related or reflects on improved job performance, or is a degree requirement. A “degree” is defined as a field of study that is directly applicable to the City, employee’s current position or to be used toward a position which the City would employ.
 2. An application for reimbursement is submitted to and approved by the Human Resources Director prior to enrollment.
 3. A grade of “C”, or credit in a credit/no credit class, is attained on adult education or undergraduate work and “B” on graduate work.
 4. In the event the employee is receiving the cost of the tuition from another source (another employer or spouses employer, etc.), they shall be reimbursed by the City for required textbooks if not subject to reimbursement from another source in accordance with the above.
 5. Upon receiving the grade report, the employee has two weeks in which to submit the grade report to the Human Resources Department.
- If the conditions of paragraph 3 and 5 of this section are not met or the employee terminates employment during the course, the employee will be subject to payroll deduction for the amount provided by the City. Payroll deduction will commence immediately. If the employee receives this benefit and then leaves employment with the City for any reason within a one year period from the date of course completion, the employee will be required to refund the City for all education funds provided within the last 12 months.
6. Other workshops, training seminars and conventions appropriate to the employee’s performance of his/her job shall be reimbursed according to policies outlined in Administrative Memo No. 3-87.

(g) Car Allowance

Eligible grandfathered positions will receive a car allowance or mileage reimbursement as outlined in Human Resources Administrative Memo No. 2-01, Vehicle Usage and/or Remuneration for Job-related Duties.

There are instances where an employee may be required, because of the demands of the position he/she holds, to use a vehicle to complete daily responsibilities. The Administrative Memo identifies the typical types of vehicle usage when additional compensation or reimbursement is appropriate and the criteria used in each instance. Review the memo for complete details.

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1 **Article IV. Retirement**

3 Section 4.01 **Retirement Definition**

5 A retiree is a former employee of the City of Mt. Pleasant who meets the
6 following criteria:

- 8 1. Vested in the PACT MERS pension plan by completing 6 years of
9 employment with the City of Mt. Pleasant
- 11 2. Age 55 or older with 20 years of service, or
- 13 3. Age 60 or older with 6 years of service, or
- 15 4. Less than age 55 but with 20 years of service and taking a reduced
16 pension with the age reduction immediately upon termination of
17 employment.

18 (a) Retirement Notification

20 Eligible employees considering retirement from the City workforce are required
21 to file a written "notice of intent" to retire with the appropriate Division Director
22 and the Human Resources Department at least three (3) months in advance of
23 the employee's anticipated retirement date. A six (6) month written notice is
24 preferred, but not required. A formal, written commitment to retire, including a
25 specific retirement date, must be provided not less than 30 days in advance of
26 the actual retirement date. If a life-changing event or extenuating
27 circumstances occur, the City Manager may waive or alter the time limits. The
28 above notifications will guarantee payment of accrued but unused vacation and
29 sick days as specified in Section 3.02 & 3.03 of this document.

31 (b) Retiree Health Insurance

33 The City will allow all retiring full-time employees, eligible spouses and
34 dependents to participate in the group health insurance plan, provided the
35 required cost is 100% paid by the retired employee. Such payments shall be in
36 accordance with procedures established by the City. At retirement, the
37 employee must complete an election form to:

- 40 1. Continue in the health insurance plan as a retiree
- 42 2. Discontinue participation in the health care plan; or
- 44 3. Defer participation in the plan to a date/event specific and sign up at
45 date/event specific.

47 The election form is available in the Human Resources Department. If a retired

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1 employee is removed or discontinues participation in the group health insurance
 2 plan, with the exception of the deferment option, the retired employee shall not
 3 be allowed to again become a participant.

4
 5 The following identifies eligibility for and the length of time a retired full-time
 6 employee and/or his/her eligible dependents may participate in the City's group
 7 health and dental plans when specific life-changing events occur.
 8

<u>RELATIONSHIP TO RETIREE</u>	<u>LENGTH OF ELIGIBILITY FOR COVERAGE</u>
Retired employee (self)	Eligible for insurance benefits until death as long as: <ol style="list-style-type: none"> 1) Continuous coverage at retirement OR take one-time insurance deferment option to a date certain and sign up at date/event certain; 2) Pay premiums on time; and 3) Sign up for Medicare A & B when eligible
Spouse of employee at retirement - still married	Eligible for insurance benefits until death as long as a dependent under retiree's plan.
Spouse of employee at retirement - divorced	Spouse is no longer eligible after COBRA defined length of time.
Spouse of employee at retirement - widowed	Widow is eligible for insurance benefits until death, as long as he/she was covered as a dependent under the retiree's plan when the retiree was alive OR as long as sign up at date certain, which was decided on if the retiree did the one-time deferment of the health decision. NOTE: If the widow remarries, the new spouse is NOT eligible for insurance coverage.
Become spouse of retiree after employee's retirement	Not eligible for coverage.
Children of employee at retirement	Eligible for insurance benefits until the age indicated in the plan document.
Children of employee after retirement	If legal child of retiree, eligible for insurance benefits until the age indicated in the plan document
Children of employee after retiree passes away	Eligible for insurance benefits until the age indicated in the plan document

9
 10 **Section 4.02 Pension Benefit**

11
 12 All full-time employees covered by this policy shall be entitled to pension
 13 benefits. Police and Fire administrators covered by this policy may choose to
 14 participate in the Municipal Employees Retirement System (MERS) plan or the

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1 Police or Fire Act 345 plan. This election must be made at the time of entering
2 the PACT unit and is an irrevocable election. All other employees covered by
3 this agreement will be covered by the MERS plan.
4

5 (a) MERS Plan 6

7 Employees hired prior to January 1, 2016, are provided retirement benefits in
8 accordance with the B-4 retirement plan as provided by the Municipal
9 Employees Retirement System (MERS). The B-4 option provides the following
10 benefit calculation upon retirement: credited service times 2.5% of Final
11 Average Compensation (FAC).
12

13 Employees hired after January 1, 2016, are provided retirement benefits in
14 accordance with the B-2 retirement plan as provided by the Municipal
15 Employees Retirement System (MERS). The B-2 option provides the following
16 benefit calculation upon retirement: credited service times 2% of Final Average
17 Compensation (FAC).
18

19 The FAC shall be the annual earnings based upon the thirty-six (36) highest
20 consecutive earning months. Vesting within this plan requires six (6) years of
21 service. Employees hired prior to January 1, 2016, will be allowed the RS 50%
22 benefit payment option as defined by MERS. All enrollees of the plan shall be
23 afforded an F55-20 waiver allowing any employee with 20 years of service to
24 retire at age 55 with full benefits exclusive of any penalties. Vested enrollees
25 may also retire with full benefits at age 60 regardless of years of service.
26

27 A mandatory 4% contribution to MERS by the employee is required.
28

29 (i) Prior Service Credits 30

31 Participants in the MERS plan shall be eligible to purchase up to five (5) years
32 of generic service credits by paying 75% of the actuarial present value as
33 calculated by the MERS actuary. This purchased service cannot be used
34 towards the counting of service for the required six (6) years of vesting.
35

36 (b) ACT 345 Plan 37

38 Retirement benefits are in accordance with Act 345, as negotiated by the
39 specific police or fire union with the exception of the number of years used in
40 the final average compensation calculation, which must always be based on the
41 five (5) highest earning years according to state law. Administrators being
42 promoted from within the Public Safety Department will retain the same pension
43 benefits of the bargaining unit being promoted from and will remain in the
44 elected plan without the opportunity to change at a later date. Administrators
45 hired from outside the department must choose which bargaining unit's pension
46 plan they desire to participate in upon hire and the decision is irrevocable.
47

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1 Enhancement to Act 345 benefits or retirement health care plans bargained for
2 by the respective Police and Fire bargaining units shall be extended to PACT
3 Police and Fire, Act 345 pension plan participants. The provisions of the
4 retirement plans are as outlined in the appropriate collective bargaining
5 agreement.
6

7 The Act 345 Retirement Fund and the Retiree Health Care Plan requires a
8 mandatory employee contribution as outlined in the appropriate collective
9 bargaining agreement.
10

11 Section 4.03 **Deferred Compensation (457 Plan)**

12
13 Full-time and part-time employees hired prior to January 1, 2016, shall be
14 eligible for a matching contribution up to 1% of salary to be paid by the City
15 toward a City-offered deferred compensation program. We offer investment
16 options through Nationwide and ICMA Deferred Compensation programs.
17

- 18 • An employee may contribute more than 1% of salary, but the City will not
19 match anything beyond the 1%.
20

21 Full-time and part-time employees hired after January 1, 2016, will receive a
22 contribution equal to 3% of salary to be paid by the City toward a City-offered
23 deferred compensation program. Eligible employees are not required to make
24 a personal contribution to receive the City's contribution.
25

26 Senior leadership within the organization may receive a matching contribution in
27 excess of 1% as part of their overall compensation package.
28

29 **Article V. Overtime Compensation**

30 31 Section 5.01 **FLSA Regulations**

32
33 Employees covered by FLSA regulations as non-exempt employees shall be
34 compensated at a rate of one and one-half (1½) times the regular hourly rate of
35 pay for any hours worked in excess of eight (8) hours a day or forty (40) hours a
36 week. The Division Director or his/her designee may approve a schedule other
37 than the standard work day schedule. Any significant deviation from the
38 standard schedule requires written notification to the Payroll Specialist for
39 documentation purposes. Daily overtime calculations will be based on the
40 employee's work day schedule, as illustrated in the following example:
41

- 42 1. 10 hour schedule: At the rate of time and one-half for all hours worked in
43 excess of ten (10) hours in one day or forty hours in one week.
44

45 Section 5.02 **Compensatory Time**

46

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1 Overtime compensation for FLSA non-exempt employees may be granted in
2 the form of either overtime pay or compensatory time off and shall be taken off
3 with the approval of the appropriate Department Head.
4

5 Non-exempt employees will have the option of accruing compensatory time in
6 lieu of payment except when wages are being paid by or reimbursed by grant or
7 external funding sources.
8

9 There shall be a maximum of one hundred (100) hours accumulation of
10 compensatory hours allowed each employee. An employee may request each
11 year, payment of up to thirty (30) hours of unused accumulated compensatory
12 hours provided the employee submits the request not later than October 1st.
13 Payment of compensatory hours shall be at the regular rate of the employee at
14 the time that the employee receives payment for compensatory hours and shall
15 be paid on the first non-payroll Friday in December.
16

17 Any discrepancies between the employee records and payroll records must be
18 addressed within two (2) pay periods or the payroll records prevail.
19

20 Upon separation of any employee from the service of the Employer other than
21 by Leave of Absence, the employee shall be paid for the unused portion of the
22 employee's accumulated compensatory time.
23

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ADDENDUM I

Job Titles Classified by Definition

- 1
2
3
4 The following is a listing of current PACT job titles by FLSA definition:
5 1 - Exempt under Executive Classification - (Standard Test)
6 2 - Exempt under Administrative Classification - (Standard Test)
7 3 - Exempt under Professional Classification - (Standard Test)
8 4 - Exempt under the Computer Employee Classification – (Standard Test)
9

Exempt Employees

- 10 Assistant Finance Director/IT Director 1
11 Assistant Water Treatment Plant Superintendent 3
12 Building Official 1
13 City Assessor 1
14 City Clerk 1
15 City Engineer 3
16 City Manager 1
17 City Planner 1
18 Director of Community Services and Economic Development 1
19 Director of Finance/City Treasurer 1
20 Director of Human Resources 1
21 Director of Parks and Public Spaces1
22 Director of Public Safety/Police Chief 1
23 Director of Public Works 1
24 Director of Recreation and Sports 1
25 Downtown Development Director 2
26 Fire Chief 1
27 GIS Specialist 3
28 Human Resources Consultant 2
29 Parks and Public Spaces Coordinator 3
30 Police Captain 3
31 Police Lieutenant 3
32 Public Relations Coordinator 2
33 Records Division Supervisor 2
34 Recreation and Sports Coordinator 3
35 Senior Executive Assistant – Human Resources 3
36 Street Superintendent 1
37 System Administrator 4
38 Technology and Election Specialist 4
39 Utility Billing Supervisor 2
40 Assistant DPW Director/Wastewater Treatment Plant Superintendent 1
41 Water Treatment Plant Superintendent 1
42

Non-Exempt Employees

- 43 Engineering Technician – Technical
44 Payroll Specialist – Technical
45 Senior Executive Assistant - Confidential – City Manager Office
46