

# PERSONNEL COMMITTEE

7/22/2015

304 E Grand River, Conference Room 4A, Howell, Michigan 48843

8:00 AM

## AGENDA

1. **CALL MEETING TO ORDER**
  2. **APPROVAL OF AGENDA**
  3. **CALL TO THE PUBLIC**
  4. **APPROVAL OF MINUTES**  
Meeting Minutes Dated: June 24, 2015
  5. **REPORTS**
  6. **DISCUSSION**  
Courts Request Related To Compensation for a Promoted Employee
  7. **RESOLUTIONS FOR CONSIDERATION**
- 
- 08 Human Resources**  
RESOLUTION TO AUTHORIZE FIFTH AMENDMENT TO COUNTY OF LIVINGSTON RETIREE HEALTH SAVINGS PROGRAM
- 
- 09 Human Resources**  
RESOLUTION TO PURCHASE MERS GENERIC SERVICE CREDIT BY JOEL ASH
- 
- 10. ADJOURNMENT**

# MEETING MINUTES

LIVINGSTON COUNTY

JUNE 24, 2015 – 8:00 AM (FOLLOWING FINANCE)

**ADMINISTRATION BUILDING – CONFERENCE ROOM 4A**  
304 E. Grand River Avenue, Howell, MI 48843

## **SPECIAL PERSONNEL SUBCOMMITTEE MEETING**

COMM. VANHOUTEN  COMM. GRIFFITH  COMM. LAWRENCE  COMM. GREEN

OTHERS: KEN HINTON, JENNIFER PALMBOS, TERRY LEE, BELINDA PETERS

1. **CALL TO ORDER: Meeting called to order by: Comm. VanHouten at 9:50 am.**

2. **APPROVAL OF AGENDA:**

**MOTION TO APPROVE THE AGENDA**  
**MOVED BY: LAWRENCE / SECONDED BY: GREEN**  
**ALL IN FAVOR - MOTION PASSED**

3. **CALL TO THE PUBLIC: None**

4. **APPROVAL OF MEETING MINUTES of June 17, 2015:**

**MOTION TO APPROVE THE MINUTES OF JUNE 17, 2015**  
**MOVED BY: LAWRENCE / SECONDED BY: GREEN**  
**ALL IN FAVOR – MOTION PASSED**

5. **REPORTS: None**

6. **HUMAN RESOURCES: Resolution Approving the Filling Of the Animal Control Director at Above Hire Rate**

**MOTION TO APPROVE THE ABOVE RESOLUTION**  
**MOVED BY GREEN / SECONDED BY LAWRENCE**  
**ALL IN FAVOR – MOTION PASSED**

**7. ADJOURNMENT**

**MOTIONED BY LAWRENCE / SECONDED BY GREEN  
TO ADJOURN AT 10:00 AM  
ALL IN FAVOR – MOTION PASSED**

Respectfully Submitted,

**TERRY LEE  
HR COORDINATOR**

# LIVINGSTON COUNTY COMPENSATION/CLASSIFICATION GUIDELINES

RESOLUTION #2015-02-041

APPROVED: 02/09/15

## A. POLICY

### 1. PURPOSE:

To establish guidelines for the ongoing maintenance of the job classification and compensation program.

### 2. POLICY STATEMENT:

The intent of the compensation philosophy is to maintain a competitive compensation program in order to attract, retain, and motivate qualified employees. To that end, the following principles will govern our compensation guidelines.

Eleven counties are used for comparative purposes. Included in the comparable group are: Allegan County, Berrien County, Ingham County, Jackson County, Kalamazoo County, Monroe County, Muskegon County, Ottawa County, Saginaw County, St. Clair County and Washtenaw County.

From time to time, the Director of Human Resources and Labor Relations may recommend that other market comparables should be used (other county governments, or private sectors employers) where information from the primary labor market is considered insufficient to attract and retain specific positions or classes.

Livingston County does not want to lead nor does Livingston County want to be average. Generally, our competitive position is based on the median maximum (50<sup>th</sup> percentile) plus approximately six percent (6%) being made available through two Merit Steps, Merit I, Step 8 and Merit II, Step 9.

A point factor job evaluation is used to determine internal equity. A Job Analysis Questionnaire will be completed to collect data regarding various county jobs. The following factors along with their weights are used:

#### Factor

1. Education and Relevant Experience
2. Judgment and Independence of Action
3. Internal and External Relations
4. Supervisory or Managerial Responsibility
5. Job Complexity
6. Responsibility for the Welfare and Rights of Others
7. Technology Use
8. Impact on Programs, Services and Operations
9. Document Concentration
10. Work Environment

Once points have been identified for all factors, total points are computed. After point totals have been determined for all jobs, the jobs will be grouped together into pay grades. The assignment of jobs to various pay grades is directly linked to the job evaluation plan and based on the factor ratings.

The salary schedule has been built providing for three percent (3.00%) adjustment between steps and nine percent (7.5% or 10%) between grades.

3. APPLICABILITY:

Applies to all non-union Livingston County employees.

4. DEFINITIONS:

Job Evaluation – The systematic determination of the relative worth of jobs within the organization.

Point Factor Method – Breaking down jobs into various factors and placing weights, or points on them. Once points have been identified for all factors, the total points are computed which determines grade placement.

Anniversary Date – An employee's continuous service in his/her current position. Generally, the anniversary date is the same as the "date of hire." However, a promotion normally changes one's anniversary date. The anniversary date is the date used to determine when an employee becomes eligible for a step increase.

Reclassification – A change in the grade placement of a job as a result of a redefinition of the duties and/or qualification requirements of the position.

Red-Circled – Individual pay is above that of his/her salary range – that employee is considered to be "red circled."

Promotion - An individual is transferred or reassigned to a job in a higher pay grade than his or her existing pay grade which will result in an increase in the rate of pay to the individual being promoted.

Demotion – An individual is transferred or reassigned to a job in a lower pay grade than his or her existing pay grade. Depending upon the circumstances, a demotion may result in a decrease in the rate of pay of the individual.

5. REFERENCE AND LEGAL AUTHORITY:

6. SEE ALSO:

Policy: Merit Steps  
Form: Job Analysis Questionnaire (JAQ)  
Form: Personnel Action Form (PAR)

7. SUPERSEDES: No. 105-033

8. APPROVED BY:

Personnel Committee 11/10/04

9. RESOLUTION: No. 305-127 03/21/05

10. REVIEW HISTORY:

## **1. PROCEDURE**

### **Responsibility for Administration**

The Director of Human Resources and Labor Relations is responsible for reviewing and providing recommendations with respect to job evaluation and pay grade assignments (e.g., new jobs, reclassifications, etc.) to the Personnel Committee (or other designated committee) of the Board of Commissioners. The Personnel Committee will have the final approval of all job evaluation and pay grade assignments. It is important that any recommendations concerning job evaluation be prepared by individuals with direct knowledge about (1) the specific content and requirements of the job(s) being evaluated, (2) the general content of other classifications within the County to permit a meaningful comparison, and (3) the impact job evaluation decisions may have on the internal equity of the established salary structure.

### **Adding New Jobs to the Compensation Structure**

If a department wants to create a new position, it must first seek and receive approval by the Board Committee the department is assigned to. If the Committee grants approval, the Director of Human Resources and Labor Relations will be responsible for determining if a new classification needs to be established for the new position. The entire process will proceed as follows:

- A. The responsible Department Head/Elected Official shall initiate the process by completing the necessary paperwork to create a new position and submitting it to the Department's assigned Board Committee.
- B. The Committee shall be responsible for evaluating the request for a new position and determining whether approval is to be granted. The decision shall then be communicated to the responsible Department Head/Elected Official.
- C. Upon approval of the position, the responsible immediate supervisor will be asked to further explain or document in writing the position's job duties and responsibilities and minimum qualification requirements through the completion of a Job Analysis Questionnaire. The questionnaire and other job related documentation should be forwarded to the Director of Human Resources and Labor Relations.
- D. The Director of Human Resources and Labor Relations shall be responsible for reviewing the position information and developing a job description. The Director of Human Resources and Labor Relations shall also be responsible for evaluating the new position and recommending grade placement within the compensation structure to the Personnel Committee. Comparable salary information should also be collected when possible to assist in the determination of the pay grade placement of the position. The Personnel Committee will then have the final approval of the pay grade assignment.
- E. The responsible Department Head/Elected Official will be notified of the results.

### **Reclassification Procedures**

A reclassification is a change in the grade placement as a result of a redefinition of the duties and/or qualification requirements of the position. If the duties/responsibilities and/or qualifications of an established position are permanently and significantly changed, the following action should be taken:

- A. The responsible Department Head/Elected Official shall initiate the process by submitting a request for a position reclassification to the Director of Human Resources and Labor Relations, documenting completely the reasons for the position reclassification request.
- B. The position incumbent and the incumbent's immediate supervisor may be asked to further explain or document in writing the position's job duties and responsibilities and minimum qualification requirements

through the completion of a Job Analysis Questionnaire. The questionnaire and other job related documentation should be forwarded to the Director of Human Resources and Labor Relations.

C. The Director of Human Resources and Labor Relations shall be responsible for evaluating the new position and recommending grade placement in the position within the compensation structure to the Personnel Committee. Comparable salary information should also be collected when possible to assist in the determination of the pay grade placement of the position. An upgraded job description will be prepared as warranted. The Personnel Committee will then have final approval of the pay grade placement of the position.

D. The responsible Department Head/Elected Official will be notified of the results.

E. Should an existing position be reclassified to a higher pay grade, the pay of the incumbent(s) whose current salary is less than the minimum of the new assigned salary range will be placed on the step closest to but not less than his/her current salary.

F. In instances when a job is reclassified to a lower pay grade because a re-evaluation indicated reduced duties, a pay reduction may or may not occur. The decision whether to reduce the pay of the incumbent(s) will be determined on a case-by-case basis by the Director of Human Resources and Labor Relations depending upon circumstances of the reclassification.

### **Determination of Starting Rates of Pay**

The determination of the appropriate starting pay for a new hire should be accomplished through the cooperative efforts of the Director of Human Resources and Labor Relations and the appropriate immediate supervisor. In general, starting rates should be at the minimum of the assigned salary range. Starting pay which is higher than the minimum of the assigned salary range may be acceptable for such reasons as education and/or work experience directly applicable to the job which exceeds the minimum employment requirements, a competitive market situation, a special and specific talent, and the like. The County Administrator and/or the Director of Human Resources and Labor Relations can approve a starting rate of pay up to the one year step. Granting a starting rate of pay above the one year step must be approved by the Personnel Committee.

Note: Care should be taken to avoid establishing the new employee's rate of pay in an amount that exceeds the salary of any existing staff member in the same job classification with comparable years of relevant work experience, education and training. Maintaining appropriate internal equity between a new employee and current job incumbents is critical to the integrity and functionality of the County's compensation system.

### **Movement within the Pay Structure**

#### **A. Annual Pay Increases/Step Increases**

Employees will generally receive a one-step pay increase on their anniversary date after each year of employment. In no instance should an increase to an employee's pay rate be such that the new pay rate exceeds the maximum of their assigned pay range. Additionally, employees may receive an economic adjustment to their rate of pay each year equal to any adjustment made to the pay structure. This adjustment is granted to every employee whose current rate of pay is at or below the salary range maximum of their assigned pay grade.

Step increases indicated on the Livingston County Salary progression plan are not automatic. Department heads wishing to recommend employees for step increases will submit a County Personnel Action Request (PAR) form to Human Resources.

Department heads/elected officials not wishing to recommend personnel for step increases will notify the affected employee prior to the employee's anniversary date.

B. "Red Circled" Employees

If the pay of an individual employee is above that of their assigned salary range, that employee is considered to be "red-circled." Because the maximum of the salary range represents the upper end of the relevant range for a particular pay grade, no adjustments should be made to the base salary of a red-circled employee until such time as the employee's salary falls within the assigned salary range.

### **Transfer or Reassignment of an Individual**

A. Promotion

A promotion occurs when an individual is transferred or reassigned to a job in a higher pay grade than his or her existing pay grade. An increase in the rate of pay of the individual being promoted should be determined jointly by the respective immediate supervisor and the Director of Human Resources and Labor Relations and should take into consideration:

- The individual's qualifications to perform the new job and his or her relevant experience, and
- The rates of pay, qualifications, and experience levels of any other employees assigned to the same job classification, and
- The percentage differential between the existing and new pay grades.

The new rate of pay of the individual being promoted should be at least equal to the minimum of the new salary range and/or the closest step that would result in at least a five percent (5%) increase. Special pay will be considered when setting the rate of pay for a promoted individual to the extent that the employee should not suffer a loss in pay by accepting the promotion if the special pay is to be discontinued. Promotional increases generally should be granted concurrently with the employee's assumption of his/her new job duties.

B. Demotion

A demotion occurs when an individual is transferred or reassigned to a job in a lower pay grade than his or her existing pay grade. A demotion can be initiated for a variety of reasons (e.g., poor performance, employee preference). Depending upon the circumstances, demotions and the impact on pay include:



WHO INITIATES	REASON	IMPACT ON PAY
Individual Employee	Voluntary	Adjusted to reflect: <ul style="list-style-type: none"> <li>• The individual qualifications to perform the new job and his or her relevant experience, and</li> <li>• The rates of pay, qualifications, and experience levels of any other employees assigned to the same job classification, and</li> <li>• The percentage differential between the existing and new pay grade. New rate must be at or below maximum of the new pay grade.</li> </ul>
Supervisor or Department Head	Performance Related	Adjusted to reflect: <ul style="list-style-type: none"> <li>• The individual's qualifications to perform the new job and his or her relevant experience, and</li> <li>• The rates of pay, qualifications, and experience levels of any other employees assigned to the same job classification, and</li> <li>• The percentage differential between the existing and new pay grades. The new rate must be at or below maximum of the new pay grade.</li> </ul>
Department Manager	Business-related <ul style="list-style-type: none"> <li>• Reduction in Force</li> <li>• Reorganization</li> <li>• Position Requirements Modified</li> </ul>	No adjustment to current rate of pay. If the current rate of pay exceeds the maximum of the new pay range, the individual will be considered "red-circled."

C. Lateral Transfer

A lateral transfer occurs when an individual is transferred or reassigned to a position in the same pay grade as his or her existing job. Generally, no adjustment in the rate of pay should occur.

**Annual Pay Structure Analysis**

In response to market trends, the salary structure should be reviewed and updated annually, as appropriate. Based upon a market analysis and financial considerations of the County, a percentage

factor should be determined and applied to the salary ranges to update the compensation structure. All ranges should be adjusted consistently by a percentage rate as opposed to a flat dollar amount to assure the integrity of the characteristics of the structure (e.g., range widths, pay grade differentials).

### **Guidelines for Appealing Compensation Classification**

If an individual or their supervisors feel that the placement of a job within the classification (grade) structure is incorrect, an appeal can be made to the Human Resources Department to reevaluate the position. Appeals require the following:

1. The employee and/or the supervisor shall review the existing JAQ and make any changes that are deemed appropriate. Supervisors will approve any changes.
2. The appeal will be forwarded to Human Resources with the revised JAQ, including a cover letter outlining the reason for the appeal and any additional documentation.
3. Human Resources will review the new JAQ and any supporting material.
4. Upon completion of the review, Human Resources will present a recommendation to the Personnel Committee.
5. The Personnel Committee may accept, refuse or modify the recommendation from Human Resources. This Committee's decision will be final.
6. Further appeals require a six-month waiting period and evidence of significant job function changes.

RESOLUTION

NO:

LIVINGSTON COUNTY

DATE:

---

**RESOLUTION TO AUTHORIZE FIFTH AMENDMENT TO COUNTY OF LIVINGSTON RETIREE HEALTH SAVINGS PROGRAM**

**WHEREAS,** Livingston County Board of Commissioners adopted Resolution #1203-450 that established the Livingston County Retiree Health Savings Program with an effective date of January 1, 2004, for eligible employees hired after March 17, 2003, and an effective date of November 18, 2003, for eligible employees choosing the Special Window “opt-out”; and

**WHEREAS,** Livingston County Board of Commissioners adopted Resolution #2007-10-271 to amend the Livingston County Retiree Health Savings Program as required by the IRS to eliminate elective features; and

**WHEREAS,** the County of Livingston Retirement Health Savings Program was amended a second time under Resolution #2008-12-374 pursuant to the collective bargaining agreement between Livingston County Courts and the Michigan Association of Public Employees which provides that effective January 1, 2009 Court employees may participate in the County of Livingston Retirement Health Savings Program; and

**WHEREAS,** Livingston County Board of Commissioners adopted Resolution #2009-10-317 that provides that all employees hired on or after November 1, 2009 shall no longer be eligible to participate Retiree Health Savings Program; and

**WHEREAS,** this program document was amended a fourth time by Resolution #2010-04-126 to clarify judges’ eligibility for the benefit; and

**WHEREAS, THE PROGRAM NEEDS TO BE AMENDED TO ALLOW FOR PAYMENTS TO BE MADE ON A PER PAY BASIS WHEN PRACTICABLE AND TO REFLECT CHANGES NEGOTIATED IN COLLECTIVE BARGAINING AGREEMENTS.**

**THEREFORE BE IT RESOLVED** that subject to review by pension and benefit counsel, the Livingston County Board of Commissioners hereby amends the program as previously adopted:

**COUNTY OF LIVINGSTON  
RETIREE HEALTH SAVINGS PROGRAM**

---

---

**PROGRAM GUIDELINES****SECTION I****PURPOSE**

The purpose of the Program is to assist employees with saving for their future health care costs in retirement. The Livingston County Board of Commissioners hereby reserves and retains, solely and exclusively, all rights to interpret and operate the Program. Furthermore, the County Board reserves the right to add to, delete from, modify and/or change the Program in any way it deems appropriate, including termination of any and all provisions of the Program. The Board Chair is authorized to sign any agreement in order to effectuate this resolution.

**SECTION II****DEFINITIONS**

For the purposes of this Program, the following words shall have the meanings respectively ascribed to them by this section;

1. *COUNTY or EMPLOYER* means the County of Livingston.
2. *COLLECTIVE BARGAINING ASSOCIATIONS* means those associations which have negotiated to participate in this Program, either specifically or by a “me too” provision.
3. *EMPLOYER CONTRIBUTIONS* means the payment made to the Participant’s Plan Account by the County up to the maximum amount allowed under the Program.
4. *EMPLOYEE* means any of the following:
  - (a) a non-union person employed by the County after March 17, 2003 and hired before November 1, 2009;
  - (b) a non-union person employed by the County before March 17, 2003 who has not met the age and service requirements for a normal or reduced pension under the Municipal Employees’ Retirement System of Michigan as of February 28, 2010;
  - (c) a non-union person employed by the County on or before March 17, 2003, who is otherwise eligible to participate in the Retiree Health Care Plan, and (1) voluntarily elects to irrevocably cease participation in the Retiree Health Care Plan, and (2) elects to participate in this Program upon being offered that opportunity by the County;
  - (d) a person who is an elected official or judge of the County elected or appointed after March 17, 2003 and before November 1, 2009;
  - (e) a person who is an elected official or judge of the County elected or appointed on or before March 17, 2003, who is otherwise eligible to participate in the Retiree Health Care Plan, and (1) voluntarily elects to irrevocably cease participation in the Retiree Health Care Plan, and (2) elects to participate in this Program upon being offered that opportunity by the County; or
  - (f) A person employed by the County who is a member of a Collective Bargaining Association which has agreed to participate in this Program subject to the participation provisions of the collective bargaining agreement and this Program.

- 
- 
5. *PARTICIPANT CONTRIBUTIONS* means the voluntary payment made to the Participant's Plan Account by the Employee. Participant contributions shall cease as of December 31, 2007.
  6. *PARTICIPANT* means an Employee who is a member of a retirement plan of the County or of the State of Michigan Judges Retirement System, is eligible for County provided health insurance while actively employed by the County and is also enrolled in the Program. No person shall be considered a Participant of the Program who is compensated for services to the County on a fee or independent contractual basis. In all cases of doubt, the Personnel Director shall decide who is a Participant within the meaning of this Program provided such decision is consistent with any applicable collective bargaining agreements or established County Policy.
  7. *COUNTY POLICY* means those personnel and other policies as adopted by the Board of Commissioners and as contained in the employee manual or other appropriate written documents.
  8. *PLAN ACCOUNT* means the account into which Participant Contributions and/or Employer Contributions under this Program are credited. Such Plan Account may be the Employee's 457 Plan or such other County plan which may be established by the County for purposes of this Program.
  9. *PROGRAM* means the Retiree Health Savings Program of the County as described herein and any subsequent changes.
  10. *PROGRAM YEAR* means the period commencing on January 1 and ending on December 31 of each year.
  11. *RETIREMENT PLAN* means those retirement systems (collectively and individually) provided by the County of Livingston for its eligible employees and shall include any retirement program adopted by the County of Livingston and administered by the Michigan Municipal Employees Retirement System as provided by Act 135, the Public Acts of 1945, as amended. Notwithstanding the foregoing, "Retirement Plan" also includes the State of Michigan Judges Retirement System.
  12. *RETIREE HEALTH CARE PLAN* means the County of Livingston Retiree Health Care Plan as adopted by the County Board of Commissioners on June 2, 2003 and as amended in which participation has been granted to certain non-union employees hired on or before March 17, 2003 who have met the age and service requirements for a normal or reduced pension under the Municipal Employees' Retirement System of Michigan as of February 28, 2010, elected officials first elected on or before March 17, 2003, and certain union employees represented by Collective Bargaining Associations that have negotiated agreements granting participation in the plan (see the Retiree Health Care Plan document for details).

### **SECTION III**

#### **ELIGIBILITY**

In order to be eligible to participate in this Program during any Program Year, an individual must meet all of the following:

1. be a current permanent Employee of the County; and
2. be eligible, under County Policy or an applicable collective bargaining agreement, to participate in a County's Retirement Plan; and

- 
- 
3. be eligible, under County Policy or an applicable collective bargaining agreement, to receive the County's health care insurance as an active employee; and
  4. have filed a written election with the County to participate in this Program and be enrolled in a Plan Account; and
  5. not be eligible for participation in the Retiree Health Care Plan.

## **SECTION IV**

### **ENROLLMENT IN PROGRAM**

Subject to all applicable provisions of this Program, the County shall give each eligible Employee initial notice of his or her opportunity to enroll in the Program at the time he/she completes the necessary paperwork for new hires. Additionally, each eligible Employee shall have an opportunity to enroll in the Program each year during the month of December for the next upcoming year. Once enrolled, the Participant will be expected to continue their participation until such a time as the participant notifies the payroll department in writing that they wish to withdraw from the Program. Depending upon the alternative funding plan chosen, however, participation once begun may require continuation in the program for as long as the Participant is employed by the County. Employees participating in the Retiree Health Care Plan shall only have the opportunity to enroll during special "opt-out" windows at the discretion of the County.

## **SECTION V**

### **TERMINATION OF PARTICIPATION**

Participation in the Program shall terminate in accordance with the Program Guidelines and/or applicable collective bargaining agreement, on the earliest of:

1. termination of the Program;
2. voluntary or involuntary separation of employment;
3. termination of an Employee's eligibility to participate in the County's Retirement Plan;
4. termination of an Employee's eligibility to participate in the County's regular health insurance plan as an active employee.

## **SECTION VI**

### **PARTICIPANT CONTRIBUTION(S) (PLEASE NOTE: ALL PARTICIPANT CONTRIBUTIONS SHALL CEASE AS OF DECEMBER 31, 2007)**

The Participant Contributions will be made by payroll deduction and deposited into the Participant's Plan Account. The Participant will authorize the amount to be deducted on a per pay period basis from their paycheck. It is expressly understood that the Participant Contributions and matching Employer Contributions will be subject to the applicable deferral limitations for the Plan Account in accordance with the Internal Revenue Code. Participant Contributions shall cease as of December 31, 2007.

**SECTION VII**

**EMPLOYER’S CONTRIBUTION(S)**

The amount of the Employer Contribution will be calculated based on the Participant’s years of service. The Employer will contribute the Employer Contribution amount to the Participant’s Plan Account with the first pay after last pay of each quarter **OR, IF PRACTICABLE, ON A PER PAY BASIS**. The Employer’s Contribution shall not be included as compensation or earnings when computing the Participant’s retirement benefits. In addition, any deductions required from the Employer Contributions by state or federal rule, regulation or law shall be subtracted from the total contribution made by the Employer on behalf of the Participant.

The Employer Contribution shall be subject to the following maximum limitation in each calendar year of participation:

For Non-Union Employees:

YEARS OF SERVICE	AMOUNT
First five (5) years of service with the County	Up to \$520.00 per year (pro-rated)
Beginning with sixth (6 <sup>th</sup> ) year of service with the County until termination of Participation	Up to \$1560.00 per year (pro-rated)
Adjusted annually consistent with the non-union salary schedule adjustment, beginning in 2005.	
The County contribution shall be distributed over a twelve (12) month period in either four equal payments <b>OR ON A PER PAY BASIS</b> .	

For Court Bargaining Unit Employees – County Contributions to be Effective January 1, 2009, **AND ELIMINATED FOR EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2011:**

YEARS OF SERVICE	AMOUNT
First five (5) years of service with the County	Up to \$350.00 per year (pro-rated)
Beginning with sixth (6 <sup>th</sup> ) year of service with the County until termination of Participation	Up to \$1000.00 per year (pro-rated)
Adjusted annually consistent with the Court bargaining unit salary schedule adjustment, beginning in 2010.	
The County contribution shall be distributed over a twelve (12) month period (four equal payments) <b>OR WITH WRITTEN UNION CONCURRENCE, ON A PER PAY BASIS IF PRACTICABLE</b> .	

---

---

**FOR 911 CENTRAL DISPATCH BARGAINING UNIT EMPLOYEES - BEGINNING ON JANUARY 1, 2014, THE EMPLOYER SHALL ANNUALLY CONTRIBUTE \$350 FOR EMPLOYEES WITH LESS THAN FIVE YEARS SERVICE; \$1000 FOR EMPLOYEES WITH FIVE TO FOURTEEN YEARS OF SERVICE; \$2,000 FOR EMPLOYEES WITH FIFTEEN TO NINETEEN YEARS OF SERVICE; AND \$2,500 FOR EMPLOYEES WITH 20 YEARS OR MORE, ON A PRE-TAX BASIS. IN ADDITION, WITHIN THIRTY (30) DAYS FOLLOWING COUNTY RETIREMENT, AN EMPLOYEE'S REMAINING SICK BANK BALANCE, IF ANY, SHALL BE PAID INTO THE EMPLOYEE'S RETIREE HEALTH SAVINGS PLAN AT A FIFTY PERCENT (50%) RATE UP TO A MAXIMUM OF SEVENTY-TWO (72) DAYS BASED UPON THE EMPLOYEE'S CURRENT SALARY ON A PRETAX BASIS. THE RETIREE HEALTH SAVINGS PLAN SHALL PROVIDE FOR IMMEDIATE EMPLOYEE VESTING.**

**FOR SHERIFF DEPUTIES, CORRECTIONS OFFICERS, AND DETECTIVES BARGAINING UNIT EMPLOYEES - EMPLOYEES HIRED AFTER JUNE 20, 2011 RECEIVE THE RETIREE HEALTH SAVINGS PROGRAM. EMPLOYER PRE-TAX CONTRIBUTIONS ARE 4% OF BASE SALARY IN THE INDIVIDUAL'S RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES.**

**EMPLOYEES HIRED ON OR BEFORE JUNE 20, 2011 GET THE CHOICE OF STAYING IN THE DEFINED BENEFIT RETIREE HEALTH CARE PLAN AS DESCRIBED IN 35.4 OR MAY MAKE A ONE-TIME IRREVOCABLE ELECTION TO GO TO THE RETIREE HEALTH SAVINGS PROGRAM AND RECEIVE \$18,000 AS EITHER CASH OR AS A PRE-TAX CONTRIBUTION TO A RETIREE HEALTH SAVINGS ACCOUNT IN THE EMPLOYEE'S NAME. FUTURE EMPLOYER PRE-TAX CONTRIBUTIONS ARE 4% OF BASE SALARY IN THE INDIVIDUAL'S RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES. THOSE TRANSFERRED OR PROMOTED INTO THE BARGAINING UNIT WHO ALREADY PARTICIPATE IN THE RETIREE HEALTH SAVINGS PROGRAM RETAIN THAT BENEFIT.**

**FOR SERGEANT BARGAINING UNIT EMPLOYEES - ALL EMPLOYEES HIRED INTO ANY BARGAINING UNIT OR NON-UNION POSITION FROM OUTSIDE THE COUNTY AFTER JUNE 30, 2011 RECEIVE THE RETIREE HEALTH SAVINGS PROGRAM. EMPLOYER PRE-TAX CONTRIBUTIONS ARE 4% OF BASE SALARY IN THE INDIVIDUAL'S RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES.**

**EMPLOYEES HIRED ON OR BEFORE JUNE 30, 2011 GET THE CHOICE OF STAYING IN THE DEFINED BENEFIT RETIREE HEALTH CARE PLAN AS DESCRIBED IN 32.4, OR MAY MAKE A ONE-TIME IRREVOCABLE ELECTION TO GO TO THE RETIREE HEALTH SAVINGS PROGRAM. IF THE EMPLOYEE CHOOSES THE RETIREE HEALTH SAVINGS PROGRAM, AT THEIR OPTION, SHALL RECEIVE A ONE-TIME PAYMENT OF \$18,000 AS EITHER CASH OR AS A PRE-TAX CONTRIBUTION TO THE RETIREE HEALTH SAVINGS ACCOUNT IN THE EMPLOYEE'S NAME. FUTURE EMPLOYER PRE-TAX CONTRIBUTIONS ARE**



---

---

**4% OF BASE SALARY, PAID QUARTERLY, TO THE INDIVIDUAL RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES. THOSE TRANSFERRED OR PROMOTED INTO THE BARGAINING UNIT WHO ALREADY PARTICIPATE IN THE RETIREE HEALTH SAVINGS PROGRAM RETAIN THAT BENEFIT.**

**FOR LIEUTENANT BARGAINING UNIT EMPLOYEES - EMPLOYEES HIRED AFTER JUNE 30, 2011 RECEIVE THE RETIREE HEALTH SAVINGS PROGRAM. EMPLOYER PRE-TAX CONTRIBUTIONS ARE 4% OF BASE SALARY IN THE INDIVIDUAL'S RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES.**

**EMPLOYEES HIRED ON OR BEFORE JUNE 30, 2011 GET THE CHOICE OF STAYING IN THE DEFINED BENEFIT RETIREE HEALTH CARE PLAN AS DESCRIBED IN 24.3 OR MAY MAKE A ONE-TIME IRREVOCABLE ELECTION TO GO TO THE RETIREE HEALTH SAVINGS PROGRAM AND RECEIVE \$20,000 AS EITHER CASH OR AS A PRE-TAX CONTRIBUTION TO A RETIREE HEALTH SAVINGS ACCOUNT IN THE EMPLOYEE'S NAME. FUTURE EMPLOYER PRE-TAX CONTRIBUTIONS ARE 4% OF BASE SALARY IN THE INDIVIDUAL'S RETIREE HEALTH SAVINGS PROGRAM ACCOUNT. EMPLOYER CONTRIBUTION INCREASES/DECREASES WITH ANNUAL WAGE SCALE INCREASES.**

**THOSE TRANSFERRED OR PROMOTED INTO THE BARGAINING UNIT WHO ALREADY PARTICIPATE IN THE RETIREE HEALTH SAVINGS PROGRAM RETAIN THAT BENEFIT.**

Years of service for purposes of this section must be actual service rendered with the County as an eligible employee or elected official. Purchased service or other service recognized for retirement under the Reciprocal Retirement Act (P.A. 88 of 1961, as amended (MCL 38.1102 et. seq.)) shall not be included.

In the event a Participant terminates Participation in the Program prior to the end of a calendar year, the Employer Contribution, up to the maximum allowed for the Participant's years of service, will be appropriately adjusted (1/12 of an allowed match for each full month of service in that calendar year **OR IF PAID ON A PER PAY BASIS 1/26 OF THE ALLOWED MATCH FOR EACH FULL PAY PERIOD OF SERVICE IN THAT CALENDAR YEAR**) and paid to the Participant's Plan Account with the last paycheck.

## **SECTION VIII**

### **SPECIAL WINDOW "OPT-OUT"**

Employees beginning service on or before March 17, 2003, who are participants in the Retiree Health Care Plan, will be given a special one-time window of opportunity to voluntarily "opt-out" of the Retiree Health Care Plan and elect Participation in this Program. The decision to opt out of the Retiree Health Care Plan shall be made in writing upon such form or forms as the County may require and once made is IRREVOCABLE. In consideration for such a non revocable decision to "opt-out" of the Retiree Health Care Plan, the County will make an Employer Contribution in an amount equal to the maximum amounts provided under the

Program for each of the eligible years of County service the employee has served. Any elected Official whose date of continuous employment is different than the date of participation in the MERS pension plan, the earlier date shall be the basis of the calculations for the buyout. Said Employer Contribution will be payable to the Participant’s Plan Account. There will be no required Participant Contribution into the Participant’s Plan Account to match the Employer’s special “opt-out” contribution. Continued Participation in the Program, however, will require Participant Contributions to receive future Employer Contributions. Future Employer Contributions would be based upon all years of actual service with the County in accordance with the provisions of Section VII. By way of illustration only, the following examples are offered:

EMPLOYEE A - Hired on March 2, 1998, Employee A would receive **\$3,900\*** in the last pay period in December of 2003 if that employee chooses the irrevocable option to “opt-out” of the County of Livingston Retiree Health Care Plan to participate in this Program.

SERVICE REQUIREMENT	FORMULA	AMOUNT
First five (5) years of service	\$520 per year x 5	\$2,600.00
Ten (10) months of 6 <sup>th</sup> year of service (March through to December 2003)	\$130 per month x 10	\$1,300.00
EMPLOYER CONTRIBUTION TOTAL: .....		\$3,900.00

EMPLOYEE B - Hired in September 24, 1979, Employee B would receive **\$32,630\*** in the last pay period in December of 2003 if that employee chooses the irrevocable option to “opt-out” of the County of Livingston Retiree Health Care Plan to participate in this Program.

SERVICE REQUIREMENT	FORMULA	AMOUNT
First five (5) years of service	\$520 per year x 5	\$2,600.00
Next nineteen (19) years of service	\$1,560 per year x 19	\$29,640.00
Three (3) months of 25 <sup>th</sup> year of service	\$130 per month x 3	\$390.00
EMPLOYER CONTRIBUTION TOTAL:.....		\$32,630.00

\*Any Employer Contribution that exceeds the dollar amount allowed for deferment into the Participant’ Plan Account on a yearly basis: 1. may be paid - out into the Participant’s Plan Account over a maximum of three years; or, 2. may be taken as a lump-sum payment which will be considered taxable income;

---

---

or, 3. a combination of payments to the Plan Account and lump-sum payment; or, 4. defer receipt of lump sum pay-off until new program (401a or Retirement Health Savings Plan) is established. For those employees who opt to either take the Employer Contributions over a two to three year period, and/or those who decide to defer the Employer Contributions until a new program is established, the deferred amount(s) shall be enhanced by the annual interest rate equivalent earned on the investment of surplus County funds. The Employer's Contribution, nevertheless, shall not be included as compensation or earnings when computing the Participant's retirement benefits. As always, any deductions required from the Employer's Contributions by state or federal rule, regulation or law shall be subtracted from the total contribution made by the Employer on behalf of the Participant.

## **SECTION IX**

### **INTERNAL COUNTY TRANSFERS**

The transfer of an Employee from another employee group into an employee group that participates in this Program will require a review by the Personnel Department of the Employee's eligibility both to participate in this Program and for a possible "opt-out" of the Retiree Health Care Plan, if the Employee was covered under that plan while with the former employee group. The following are provided for illustrative purposes only:

1. Employee A transfers from an employee group that has not already agreed to participate in this Program and does not participate in the County of Livingston Retiree Health Care Plan. In that case, if Employee A is otherwise qualified for this Program, the employee could begin participation at the Employer's Contribution maximum level allowed for his length of County service. There would be no "opt-out" available for Employee A.
2. Employee B transfers from an employee group that has not already agreed to participate in this Program, but does participate in the Retiree Health Care Plan. Employee B would be offered an initial opportunity to voluntarily "opt-out" of the Retiree Health Care Plan. If Employee B elects to make an irrevocable decision to "opt-out" of the Retiree Health Care Plan, the County will make an appropriate Employer Contribution to the Participant's Plan Account in accordance with Section VIII. Continued participation in this Program after the date of transfer is subject to all provisions herein.

In those circumstances where the opportunity to "opt-out" of the Retiree Health Care Plan is appropriate, the Personnel Department will prepare and provide the necessary form or forms to the transferring employee for his/her consideration and election.

**SECTION X**

**AMENDMENT - TERMINATION OF PROGRAM**

The County Board of Commissioners reserves the right to amend or terminate the Program in any manner deemed appropriate by the Board in its sole discretion so long as such amendment or termination is not inconsistent with any applicable collective bargaining agreement. Notwithstanding, such amendment or termination, Participant shall be fully vested in any Employer Contribution paid by the County on a Participant's behalf in accordance with this Program prior to such amendment or termination.

ε ε ε ε ε ε ε ε ε ε

**MOVED:**  
**SECONDED:**  
**CARRIED:**

**RESOLUTION**

**NO:**

**LIVINGSTON COUNTY**

**DATE:**

---

---

**RESOLUTION TO PURCHASE MERS GENERIC SERVICE CREDIT BY JOEL ASH - Sheriff /  
Human Resources/ Personnel Committee / Finance Committee**

**WHEREAS,** As of August 1, 2015, Joel Ash has 18 years' service credit with the Municipal Employees' Retirement System (MERS); and

**WHEREAS,** Joel Ash has requested that he be allowed to purchase two (2) years of generic service with MERS; and

**WHEREAS,** MERS requires that the Governing Body of the employing municipality approve the purchase; and

**WHEREAS,** Joel Ash will pay \$31,412.00, which is the total actuarial cost for purchasing two (2) years of generic service.

**THEREFORE BE IT RESOLVED** that the Livingston County Board of Commissioners hereby authorizes Joel Ash to be credited with two (2) years of generic service in MERS providing he pays the total cost of such service which was actuarially determined to be \$31,412.00.

**BE IT FURTHER RESOLVED** that the Board Chair is authorized to sign the necessary documentation to effectuate this purchase.

#

#

#

MOVED:

SECONDED:

CARRIED: