

Management Compensation Plan St. Louis County, Minnesota

This plan is intended to outline compensation and benefits afforded to top level management employees of St. Louis County. The plan has been adopted by the Board of County Commissioners to attract and retain a high caliber of department heads in recognition of the significance that this group bears to the operations of the County. It is the policy of the Board to establish a compensation and benefit plan which is competitive with similar public sector employers and which maintains equity with other employee groups within the County. The term "employee" herein shall refer to and be limited to the department heads listed below unless otherwise stated.

Assessor
Chris Jensen Health and Rehabilitation Center Administrator
Communications Director
Director of Management Information Systems
Land Commissioner
Planning Director
Property Management Director
Public Health and Human Services Director
Public Works Director/Highway Engineer
Purchasing Director
Recorder
Solid Waste Director

These positions are not governed by the Civil Service System and are not represented by a collective bargaining unit. The persons holding these positions are at-will employees. This plan is intended to be used as a guide for these employees and shall not create a contract or be construed to form a contract. It is the intent of the County Board to amend and update the plan at least once every two years to reflect changing conditions and policies. This plan, in whole or in part, is subject to change, revocation, modification or amendment at any time at the County Board's sole discretion with or without prior notice. The three elected positions of Auditor, Attorney, and Sheriff will receive the benefits accorded in this plan which are not in conflict with Minnesota statutes.

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I. HIRING

Employees will be selected on the basis of training, experience, and leadership qualifications necessary to perform their respective duties. Final appointment will be made by the County Board upon recommendation by the County Administrator.

II. SALARY SCHEDULE

The County Board has adopted a salary schedule (Appendix A) for appointed and elected department heads of the County. The schedule consists of eleven grades with four steps in each grade and merit levels above the fourth step. The grades and steps are separated by 5% increments. Positions have been allocated to these grades based upon objective analysis by independent personnel professionals. Employees are generally assigned to the beginning step of the pay grade for their position upon employment and progress through the steps depending upon a satisfactory performance evaluation on an annual basis thereafter.

III. SUPERVISORY RESPONSIBILITY OF THE COUNTY ADMINISTRATOR; PERFORMANCE EVALUATION

The County Administrator supervises and is responsible for the actions of the employees covered by this plan. Employees covered by this plan will receive a review and evaluation of their performance at least annually. The review and evaluation will be in accordance with specific criteria developed by the County Administrator with input from the employee. The criteria may be added to or deleted from by the County Administrator.

Annually, the County Administrator and the employee will define goals and performance objectives. A relative priority among those various goals and objectives will be established and reduced to writing. They will generally be attainable within the time limitations as specified and within annual operating and capital budgets and appropriations provided to the department.

The County Administrator shall review any allegation of misconduct or other complaint regarding an employee covered by this plan. Upon receipt of any allegation of misconduct or other complaint regarding an employee, the County Administrator shall take such actions as he/she deems appropriate with respect to the particular complaint. Such actions may include, but are not limited to: (1) initiating or authorizing an investigation into said allegation(s); (2) achieving an informal resolution of the complaint; (3) imposing disciplinary measures upon the employee; or (4) taking such other remedial action as the County Administrator deems appropriate. If, at any time, the County Administrator determines that no investigation or other action is warranted with regard to a particular complaint, the County Administrator may dismiss the complaint.

IV. WORK SCHEDULE

The normal work day for employees covered by this plan shall be 7 ½ hours. The normal hours of operation of the County are 8:00 a.m. to 4:30 p.m. with exceptions depending upon departmental operations. It is the policy of the County that employees covered by this plan do not receive overtime or compensatory time. However, it is recognized that the employee may devote time outside the normal office hours to business of the County and to that end, the employee will be allowed to take informal time off as they deem appropriate within a pay period. Taking informal time off outside of a given pay period must receive prior written approval by the County Administrator.

V. LEAVES

Written records of leaves and benefits used by employees covered by this plan shall be kept and filed in the Civil Service/Personnel Department.

A. Vacation

Employees covered by this plan will receive vacation with pay in accordance with the following schedule:

<u>Years of Service</u>	<u>Hours Per Pay Period</u>
Commencing 0 through 3 years	6.5
Commencing 4 through 5 years	7.25
Commencing 6 through 10 years	7.75
Commencing 11 through 15 years	8.25
Commencing 16 and over	9.0

Employees covered by this plan begin accrual of vacation with the first full pay period after employment and may use vacation leave as the hours are earned. In the first year of employment, employees may borrow five days of vacation against future accruals to be repaid from future earned time. Vacation may be used in one-half hour increments. Vacation may accumulate up to a maximum of 270 hours. With written approval of the County Administrator, the vacation maximum accrual may be exceeded, due to business necessity.

Upon termination, the employee will be paid in full for all earned but unused vacation. In case of death of any employee, any unused vacation shall be paid to their heirs or estate. No vacation credit can be earned while an employee appears on the payroll as "No Pay" (NP) for 18.75 hours or more per pay period.

B. Personal Leave

Employees covered by this plan are entitled to four personal leave days each year to be used at their discretion. Personal leave time may be used anytime after the start of employment with St. Louis County in half-hour segments. Personal leave days cannot be carried over from year to year.

C. Holidays

Employees covered by this plan are entitled to ten paid holidays each year. The days designated as official paid holidays as listed below.

New Year's Day	January 1
Martin Luther King Day	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Fourth Friday in November
Christmas Day	December 25

As a general rule, when a holiday falls on a Sunday, it is observed on the following Monday, when it falls on a Saturday, it is observed on the preceding Friday.

D. Sick Leave

Sick leave with pay will be earned at a rate of 5.25 hours per pay period. Sick leave is computed on a calendar year basis and no accumulated sick leave may exceed 1,900 hours as of January 1st of any given year. Sick leave shall be accrued in the pay period in which it is earned and deducted in the pay period in which it is used.

No sick leave credit can be earned while an employee appears on the payroll as "No Pay" (NP) for 18.75 hours or more per pay period.

Sick leave may be paid for absence because of an employee's inability to perform their duties by reason of illness or injury, by necessity for medical or dental care, or by exposure to a contagious disease under circumstances in which the health of the employee, co-workers or members of the public would be endangered by the employee's attendance at work.

Sick leave may be paid, upon approval of the County Administrator, for absence due to illness in the immediate family of the employee where attendance of the employee is necessary. "Immediate family" for this purpose shall be defined as spouse, children, step-

children, parents, parents of spouse, brothers or sisters, step-parents, grandparents or grandchildren, guardian, or wards of the employee.

Sick leave may be paid, upon approval of the County Administrator, for absence because of death in the immediate family of the employee where attendance of the employee is necessary. "Immediate family" for this purpose shall be defined as spouse, children, step-children, parents, parents of spouse, brothers or sisters, step-parents, grandparents or grandchildren, guardian or wards of the employee. An employee may be permitted up to a maximum of ten (10) consecutive days sick leave in the event of death in the immediate family.

E. Child Care Leave

Child Care leave will be authorized in accordance with the key employees provision of the Family Medical Leave Act and Minnesota's Parental Leave Law.

F. Other Leaves of Absence

In addition to holidays, vacation leave and sick leave, employees covered by this plan are eligible for the following leaves:

Military Leave

A member of a military reserve unit of the United states or the state of Minnesota who is called to active duty, is entitled to up to 15 working days with pay per calendar year. This leave and any additional military leave shall be administered according to and consistent with Minnesota statute and federal law.

Juror Service

Anyone called for jury service will receive their regular rate of pay for the time spent in court but is expected to report for work for any time that is not required in court. Government employees are not eligible to receive payment for service as a juror.

Leave Without Pay

In limited circumstances, employees covered by this plan may be granted a leave of absence without pay for a period not to exceed one year, if it is in the best interests of the County. A leave of absence may be requested for a sickness or disability, including pregnancy or a pregnancy related condition, or for education, or for active military service. A leave request must be submitted in writing and approved by the County Administrator.

For any leave in excess of one month, a leave request must be submitted, in writing, to the County Administrator at least 60 days in advance. All other leave requests shall be submitted at least 30 days in advance. A leave request shall state the duration of the leave and the purpose of the leave and, where appropriate, shall be accompanied by supporting documents.

A leave request may be denied if the request is not timely submitted, if the leave would severely disrupt a department or project, or because of financial concerns.

An employee receiving a leave of absence shall provide written authorization to permit the County to validate the extent and purpose of the leave upon request. A previous authorization for leave shall immediately cease if the project, reason, or purpose for which the leave was initially granted ceases.

VI. HEALTH, DENTAL, LIFE AND OTHER INSURANCES

A. Health Insurance

Employees covered by this plan are eligible for participation in the County's self-funded health plan on the first day of the month following the date of hire. Health plan coverage currently available is as follows:

Option A: This open access, comprehensive major medical plan provides coverage for medical services that are determined to be usual, customary and reasonable by Blue Cross/Blue Shield of Minnesota, our plan administrator. Benefits are subject to an annual single and family deductible, co-insurance on specific services and prescriptions and maximum single and family out-of-pocket expenses.

An employee may enroll in either Single or Family coverage. Either coverage is subject to special provisions regarding eligibility and costs.

There is an open enrollment period each year, usually from November 1 to December 1, for employees who wish to change coverage. With minimal exceptions, changes can only be made during this open enrollment period and become effective January 1 of the following calendar year.

The County Board annually establishes the rate for the coverage and the employer/employee share for single coverage and family coverage. Deductions for the employee's share of the cost for coverage will be taken monthly from the employee's earning on a pre-tax basis.

A summary plan description of plan benefits and a description of cost is available from the Civil Service/Personnel Department. The health plan contract is controlling on this benefit.

B. Dental Plan

A Dental Plan is provided to all employees covered by this plan upon employment. The County pays the full cost of single coverage. The plan has a maximum benefit of \$1,000 per coverage year. A more detailed schedule of benefits is available from the Civil Service/Personnel Department with the contract controlling the benefit.

An optional family coverage is available at the employee's expense, through another dental provider.

C. Life Insurance

All employees covered by this plan are eligible for term life insurance coverage at an amount equal to their annual salary rounded off to the nearest one-thousand dollar increment during their employment with the County. This life insurance policy covers death from any cause, any place, at any time. A more detailed schedule of benefits is available from the Civil Service/Personnel Department.

There are also optional life insurance plans available for purchase by the employee in addition to the coverage provided by the County. A more detailed schedule of benefits is available from the Civil Service/Personnel Department.

D. Post Retirement Health Care Savings Plan (PRHCSP)

This benefit is established by County Board resolution as amended from time to time and is available to all members of the group. The benefit currently allows for the creation of an individual retirement fund for pre-tax payment of health and dental care, funded by unused sick leave and vacation. A more detailed explanation of this benefit is available from the Civil Service/Personnel Department.

E. Flexible Spending Accounts

Section 125 of the IRS Code allows an employee to pay certain qualified expenses with pre-tax earnings. Benefits offered in the plan include the cost of health coverage, as well as dependent care expenses and eligible out-of-pocket medical and dental expenses. Setting aside pre-tax dollars for these types of expenses will save federal, state and FICA taxes. The money that is set aside for these qualified expenses is not considered a part of an employee's gross income on the W-2 form.

An employee is eligible for participation in the flexible spending plan on the date of hire. If no election is made at that time, the employee may still enroll as a result of a change in their

family status, or during November and December of the current year for the next calendar year. The amount elected at the time of enrollment can only be changed as the result of a change in family status during the calendar year, or upon re-enrollment for the next calendar year. The employee can elect to participate in one, two or all three accounts, depending on their personal needs or situation.

F. Workers' Compensation

Employees of St. Louis County are covered by workers' compensation as mandated by State law. In the event of work related accident, injury or occupational disease an employee may be entitled to benefits including wage reimbursement, medical payments, rehabilitation services and disability compensation. All work related injuries must be immediately reported to the Workers' Compensation Administrator in the County Attorney's Office by filing a First Report of Injury.

VII. DEFERRED COMPENSATION

Deferred compensation is a voluntary tax deferred IRS section 457 plan whereby employees may set aside part of their salary and postpone the income tax liability on the contributions and earnings until the year(s) in which the deferred amount is actually received. The deferred salary is invested and the appreciated (or depreciated) value of the deferred salary is paid to the employee in a schedule selected by the employee and as prescribed by the company selected for the administration of the funds. Taxes on interest earned, any appreciation of fund value, and dividends are deferred until actually distributed and received by the employee or their beneficiary.

The deferred compensation plan providers available to St. Louis County employees are:

International City Management Association - Retirement Corporation (ICMA-RC)
Lincoln National
Nationwide Retirement Solutions
State of Minnesota Deferred Compensation Plan

VIII. RETIREMENT

Membership in Minnesota PERA (Public Employees Retirement Association) is mandatory for public employees who meet eligibility requirements. Employees meeting income and position requirements set by State statute automatically become a member upon beginning public service. A more detailed description of retirement benefits is available from the Benefits Manager, Civil Service/Personnel Department.

IX. EMPLOYEE ASSISTANCE PROGRAM

St. Louis County’s Employee Assistance Program is a professional counseling and referral service for employees and their dependents. The program provides confidential, professional assistance to help employees and their dependents resolve personal or work related problems. It focuses on assessment, short-term counseling and referral to cost-effective community resources. The initial visit (one of three visits) is paid by the County; additional services are coordinated through the County’s health plan provider. The Employee Assistance Program is offered through Life Works. Use of the Employee Assistance Program is voluntary. Employees may be referred by their supervisor or contact the Employee Assistance Program themselves.

Examples of problems the program deals with include:

- Stress or burnout
- Marriage and family problems
- Work-related issues
- Career concerns
- Managing stress and change
- Financial concerns
- Alcohol or chemical dependency
- Parenting
- Relationship conflicts

The program assures that all counseling services are provided on a private and confidential basis. Program records do not become part of the employee’s personnel records.

Employees may use the Employee Assistance Program for advice when dealing with employee performance problems.

The following guidelines and policies have been established regarding referral to the Employee Assistance Program:

1. An employee may independently contact the Employee Assistance Program. When an employee’s job performance or attendance is unsatisfactory, it is the responsibility of the County Administrator to inform the employee of such, and to suggest that they seek professional assistance.
2. In those instances where it is deemed necessary and beneficial, upon certification of an attending physician or care-giver, the employee may use sick leave for treatment or rehabilitation. When an employee has no accumulated sick leave, they may use vacation, personal leave or leave without pay.
3. It will be the responsibility of the employee to comply with the referrals for diagnosis and treatment of their problem.
4. Employees' problems will be handled with the County's established health and personnel administrative procedures and all records will be preserved in the highest degree of confidence.

Further information concerning the Employee Assistance Program can be obtained by contacting the Civil Service/Personnel Department at 726-2422.

X. MANAGEMENT DEVELOPMENT

A. Travel and Meal Reimbursement

For travel to locations away from the normal work site, an employee may request the use of a motor pool car or use a personal vehicle and receive reimbursement at the Board approved rate. Although the use of motor pool vehicles is recommended for travel on official County business, it may be more convenient to use a personal car under some circumstances. While in official travel status when overnight lodging is required, meal reimbursement may be claimed. The amount that can be claimed is based upon the maximum domestic per diem CONUS rates, as established for that city or county by the US General Services Administration.

B. Training and Development

The County will budget and pay for travel and subsistence expenses of an employee for professional and official travel, meetings and occasions adequate to continue the professional development of the employee, and for expenses to promote official business and other functions on behalf of the County.

The County will also budget and pay for the travel and subsistence expenses of an employee for short courses, institutes and seminars that are necessary for professional development and in the interest of the County within reasonable financial limits.

C. Education Assistance Program

The County recognizes the value of continuing education for employees covered by this plan. In order to encourage educational development, the County will reimburse an employee for course-work in approved job-related fields that will add to the employee's abilities and performance in their position with the County; such reimbursement will occur after the employee attains a passing grade in the course. The expenses to be reimbursed will include tuition and books required for the course. Approval for reimbursement must be obtained from the County Administrator prior to the beginning of the course to certify its eligibility and the availability of budgeted funds. The approval for reimbursement after completion of the course will be made by the County Administrator.

XI. TERMINATION

J. Term

Employees will be appointed for an indefinite period, or for specific terms as defined by statute.

B. Voluntary Termination of Employment

Employees are expected to provide a minimum of thirty (30) days' notice of voluntary resignation or retirement to the County Administrator so that appropriate action can be taken to ensure the continuity of management within the departments.

C. Involuntary Termination of Employment

Employees covered by this policy are at-will employees. The County Administrator may, with notice to the County Board, terminate an employee or remove an employee from office at any time, except when there are statutory provisions to the contrary. If the employee is terminated because of an illegal or immoral act, the County may terminate his/her employment without severance benefits. Under any other circumstance, the employee shall be entitled to three (3) months severance pay.

Pending termination of employment, the County Administrator may, with notice to the County Board, suspend the employee from office.

Adoption of this policy constitutes County Board approval of any recommendations by the County Administrator made in accordance with this section, unless such approval is expressly revoked.

Upon written request of the impacted employee, the County Board may grant the employee an opportunity to address the Board regarding the termination. The County Board may consider any information it deems appropriate in considering the request of the impacted employee to address the Board.

XII. REPEAL OF PREVIOUS PLANS

The Management Compensation Plan outlined above is the policy of the County pertaining to the employees shown on the cover page. All previous plans are superseded by this document and are hereby terminated. Each employee shall acknowledge receipt of the Management Compensation Plan and shall act according to its terms. This document is not a contract and does not affect the status of the employee as an at-will employee.

6/1/87

Revised 7/28/88

Revised 5/2/89

Revised 4/16/96

Revised 1/24/06

Notes from Martha

3/14/2008 M.S. 43A.17, Subd. 10. **Local elected officials; certain compensation prohibited.** The compensation plan for an elected official of a statutory or home rule charter city, county, or town may not include a provision for vacation or sick leave. The salary of an official covered by this subdivision may not be diminished because of the official's absence from official duties because of vacation or sickness.