

EXHIBIT A

ALGONQUIN TOWNSHIP ROAD DISTRICT
PERSONNEL POLICIES AND PROCEDURES

I. AUTHORITY

The following rules, primarily relating to benefits provided to employees of the Algonquin Township Road District, are promulgated pursuant to the Illinois Roads and Bridges Act (60 ILCS 6/201-20 (1994)).

II. RULES RELATING TO APPLICANTS FOR EMPLOYMENT

1. EQUAL EMPLOYMENT OPPORTUNITY

The policy of the Road District in regard to equal employment opportunity continues to require employment, promotions and all personnel actions to be based solely on individual merit and personal capabilities without regard to race, religion, color, natural origin, sex and age. This policy requires the full cooperation of all Road District employees in this regard.

2. RECEIPT OF EMPLOYMENT APPLICATION

Applications for employment are to be received only at the office of the Road District Highway Commissioner. All applications must be on forms approved by the Highway Commissioner.

3. SELECTION OF EMPLOYEES

Applicants are to be employed only after they have been subject to employment investigation into their educational and work backgrounds and personal references. Only fully qualified applicants will be considered for employment. The final employment decision will be made exclusively by the Highway Commissioner.

Applicants for employment will be thoroughly screened and interviewed by the Highway Commissioner. Items which will be reviewed during the screening process include:

- A. Written application;
- B. Preliminary interview using approved Job Description;

- C. Verification of references;
- D. License verification;
- E. Testing procedures where necessary;
- F. Employees must be residents of Algonquin Township;
- G. Pre-employment health examination shall be conducted to determine physical fitness for employment. This shall be done only after an offer of employment has been extended to the applicant, but prior to the time the individual starts work. A drug test will also be required.
- H. In compliance with the Immigration Reform and Control Act of 1986, all employees hired after November 6, 1986, will complete Form I-9 Employment Eligibility Verification, and submit copies of supporting documents within the time frames outlined in the Act.

III. HOURS OF WORK

1. SCHEDULED HOURS OF WORK

The Road District Highway Commissioner will set the work hours of each employee. The Highway Commissioner may stagger, rearrange and adjust the hours of employment of his employees in such a manner as to enable him to provide all required services.

2. HOURS OF WORK COMPENSABLE AT STRAIGHT TIME

Road District employees will be compensated according to the salary schedule at the approved rate of pay for all work up to 40 hours in a work week.

3. HOURS OF WORK COMPENSABLE AT OVERTIME PREMIUM

In the event employees are required to work hours in excess of the straight time referred to in III-2 above, that overtime will be paid under the following conditions:

- A. Overtime monetary pay will be provided to those employees designated to receive overtime at a rate of 1.5 times their regular hourly rate of pay. This will be provided after 40 hours in a week regardless of the hours worked in any one (1) day;
- B. Overtime work must be authorized in advanced by the Highway Commissioner or work supervisor;

- C. To determine eligibility for overtime compensation, unless otherwise provided by these Rules, any absence with pay shall not be considered as time worked;
- D. The smallest increment of working time that may be credited as overtime is thirty (30) minutes.
- E. Every effort will be made to equally distribute work beyond the normal work period to qualified employees.
- F. Overtime compensation shall be paid at the same time the employee is compensated for standard time. Upon checking by the employer, overtime compensation may instead be taken as compensatory time. Compensatory time may be accumulated within the limits provided by the Fair Labor Standards Act and Section XII.1.C of these Policies and Procedures.

4. WAITING TIME AS HOURS OF WORK

Certain Road District positions require waiting time before performance of work. In computing hours worked, waiting time is to be considered under the following conditions:

- A. ON DUTY: Waiting time under direction of an employee's supervisor during a scheduled work day shall be considered hours of work;
- B. OFF DUTY: Waiting more than one-half (1/2) hour before or after a scheduled work day which the employee may use as his own time off is not to be counted as hours worked.

IV. HOLIDAYS AND LEAVES OF ABSENCE

1. PAID HOLIDAYS

- A. The following paid holidays are authorized holidays granted by the Road District:

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Veterans' Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4th Friday in November
Christmas Eve	1/2 Day December 24
Christmas Day	December 25
New Year's Eve	1/2 Day December 31

- B. When an authorized holiday falls on Sunday, the following Monday shall be observed as the holiday. When an authorized holiday falls on Saturday, the preceding Friday shall be observed as this holiday.
- C. If an employee is required to work on a paid holiday, the employee shall be compensated for the additional hours with overtime pay.
- D. When a holiday falls within a period of paid leave (i.e., sick leave, general leave, etc.), the holiday shall not be counted as a work day in computing the amount of leave time deducted.

V. VACATION TIME

1. ACCRUAL RATES

- A. Permanent full-time employees accrue vacation credit at the following rates (according to years of continuous service):

0-1	year of service:	1 week
2	years of service:	2 weeks
5	years of service:	3 weeks
10	years of service:	4 weeks

After 15 years, one extra day each January 1st; maximum vacation will be 5 weeks, which is obtainable at 20 years.

2. Employees must submit their request for vacation to the Highway Commissioner at least two (2) weeks in advance of the intended absence and indicate the date and duration of the leave time requested. Leave time should be so scheduled that temporary help is not required or overtime payments made to present employees.

3. If a holiday occurs during an employee's vacation period, one (1) additional day of general leave time will be allowed.

- 4. Vacation time may not be accumulated.

5. Employees who are eligible for vacation may take such time and split it into separate increments, but at no time shall leave credit be split into less than one-half (1/2) day.

6. All accumulated leave credit will be paid at the end of each calendar year.

7. Employees eligible for vacation time whose employment is terminated because of death or retirement shall receive payment for any unused vacation time in a final pay check.

VI. JURY DUTY OR REQUIRED ATTENDANCE IN COURT

1. Upon notice to the Highway Commissioner, permanent, full-time employees shall be permitted to be absent from duty for appearance in Court because of jury service.

2. Said absence from duty will be with full pay for each eight (8) hour day the employee serves on jury duty. As a condition of receiving such full pay, the employee must remit to the Road District, through the Highway Commissioner, all fees received for jury duty within five (5) days.

VI. SICK LEAVE

1. The Road District provides compensation for its full-time employees against loss of income because of illness. It is a self-insurance program provided by the Road District and earned by the employee. Eligible employees earn one (1) sick day for each month worked.

2. Sick leave benefits will be paid only for approved absences and for times when the employee would normally be scheduled to work.

3. Eligibility for sick leave benefits requires the employee to notify the Highway Commissioner's office prior to the start of the day that he is unable to work. During authorized sick leave, an employee must notify the Highway Commissioner's office every day of his progress so that the office may plan his return accordingly. This may be waived in the event the confinement or illness is for a specific period of time as indicated in a physician's statement.

4. Upon request, the employee will be required to submit a physician's statement to verify his absence. An employee returning to work after an illness may be required to present a physician's statement substantiating that he/she may return to work.

5. Notice of an employee's desire to return to work after an illness must be given to the Highway Commissioner no less than twenty-four (24) hours in advance.

6. The Highway Commissioner may direct an employee who appears ill to use sick leave time and leave work to protect the health of other employees.

7. Sick time for hours not worked will be excluded when computing overtime for the work week in which it is taken.

8. Employees who are injured on the job will receive only one-third (1/3) of sick leave payments during the time frame in which Worker's Compensation insurance payments are made.

9. An employee who is on temporary or permanent disability may use his/her sick leave benefits before receiving disability payments from the Illinois Municipal Retirement Fund.

VII. VOTING TIME

Employees may have two (2) hours off of work without pay to vote in primary, special or regular elections at which propositions are submitted to popular vote. Application must be made the day before and the Highway Commissioner may specify the hours during which employees may be absent to vote.

VIII. PERSONAL LEAVE

Employees may take one (1) personal paid day each calendar year as personal time off. The leave is to be scheduled ahead of time with the consent of the Highway Commissioner.

IX. MILITARY LEAVE WITHOUT PAY

1. Leave of absence without pay shall be granted to all permanent full-time employees who leave their positions and enter military service. Such service is authorized only in the case where the employee has been officially called to active duty in the military service and shall be authorized only as long as the employee is in service as required by the government. "Required" means voluntary; re-enlistment will no longer be considered as leave.

2. The employee must make reapplication for employment within ninety (90) days after he/she is relieved of military service or not later than one (1) year if hospitalized when discharged. He/she shall be reinstated at the current rate of pay for the position.

X. MATERNITY LEAVE

Permanent full-time employees are eligible for a leave of absence without pay when recommended by the employee's physician due to pregnancy, miscarriage, or childbirth after all accumulated

leave has been taken. Leave of absence without pay may not exceed twelve (12) weeks and must be approved by the Highway Commissioner.

XI. COMPENSATION

1. OVERTIME PAYMENTS

- A. Eligible employees will be compensated for hours they have worked in addition to their regularly scheduled period of work by monetary payments as set forth in III.3 above.
- B. Overtime payments will be based on the employee's rate of pay in effect at the time the overtime was worked.
- C. Employees may elect to use overtime hours to accumulate compensatory time off. Every hour worked in excess of the regularly scheduled work will equal one and one-half (1-1/2) hours of compensatory time off.

Employees may accrue up to forty (40) hours of compensatory time in a calendar year. Once forty (40) hours of compensatory time is accrued, the employee will be compensated for overtime by cash payment.

Accrued compensatory time must be taken by the end of each calendar year.

2. TIME OF PAYMENTS

- A. Pay periods (24 per year) shall be two per month.
- B. Overtime will be paid in each pay period earned.

XII. EMPLOYEE BENEFITS

1. GROUP HEALTH

The Road District provides health insurance protection to all full time eligible employees. Dependents insurance will be available for a set fee established by the Highway Commissioner. Continued health insurance coverage is available to employees in certain circumstances after they leave employment of the Road District. Details regarding this continuation of coverage may be obtained from the Highway Commissioner.

2. ILLINOIS MUNICIPAL RETIREMENT FUND

In accordance with Article 7 of the Illinois Pension Code the Road District is required to provide a pension program, a long and short-term disability program, a death benefit and survivor's pension to eligible employees through the Illinois Municipal Retirement Fund. All eligible Road District employees are required to participate in this program. Eligible employees are defined as those who work in excess of 1000 hours annually.

3. FEDERAL SOCIAL SECURITY

Eligible employees are provided coverage under the Federal Social Security System in addition to the Illinois Municipal Retirement Fund. This coverage is provided by reason of an agreement (State of Illinois/Federal agreement) between the State of Illinois and the Secretary of Health, Education and Welfare under Section 218 of the Federal Social Security Act. The Illinois Municipal Retirement Fund became party to the agreement by an agreement between IMRF and the State of Illinois.

4. WORKER'S COMPENSATION

In accordance with 820 ILCS 305/1 et seq., eligible employees are provided coverage under the Illinois Worker's Compensation Act.

5. UNEMPLOYMENT INSURANCE

In accordance with 820 ILCS 405/100 et seq., eligible employees are provided Unemployment Insurance under the Illinois Unemployment Insurance Act.

6. CHANGE OF NAME, ADDRESS, MARITAL OR FAMILY STATUS

Employees shall report all changes in name, address, telephone number, and marital and/or family status to the Road District office or designated employee. When any such change requires the submission of a new Income Tax Withholding form or a change in beneficiaries, the employee should return to the Road District office or to said designated employee.

XIII. EMPLOYEE BEHAVIOR

1. OUTSIDE EMPLOYMENT

No permanent, full-time employee or part-time employee shall engage in outside employment which is not compatible with the full and proper discharge of duties and responsibilities of his or her position with the Road District, or which tends to impair the capacity to perform his or her duties and responsibilities in an acceptable manner.

Any injury occurring during outside employment must be reported to the Highway Commissioner and made a matter of record. Copies of the report shall be made a part of the employee's record.

2. RESTRICTION OF POLITICAL ACTIVITIES

No Road District employee shall engage in any political activities during working hours that would in any way interfere or conflict with the operation of Road District business.

No Road District employee shall use his position or the authority of his office to solicit contributions or any other support for partisan political activities. No Road District employee will be intimidated into supporting or contributing to partisan political activities.

Outside of working hours, there shall be no restriction on political activities.

3. USE OF ROAD DISTRICT PROPERTY AND FACILITIES

A. Road District Telephones

- (i) Toll and extra-unit personal calls may be made with the approval of the Highway Commissioner;
- (ii) Employees should discourage receipt of personal telephone calls at work;

B. Use of Road District Vehicles, Equipment, Supplies, or Tools

- (i) Road District vehicles, equipment, supplies, or tools shall not be used for unauthorized purposes;
- (ii) Employees shall be responsible for the care and conservation of Road District vehicles, equipment, supplies, and tools and shall report promptly any accident, breakdown or malfunction of any unit in order that the necessary repairs can be made.

C. Other Property: Employees are required to return all Road District property or equipment in their possession upon separation from Road District employment.

4. CONFLICT OF INTEREST, BRIBERY

Except as otherwise authorized or provided by the Illinois Compiled Statutes and the Road District, no employee of the Road District shall have any substantial interest in, direct or indirect, or engage in any business transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his or her duties.

No employee of the Road District shall use his position to secure special privileges or exemptions, personally or for others. No employee of the Road District shall directly or indirectly receive or agree to receive any compensation, gift, reward, or gratuity from any source except the Road District, for any matter or proceeding connected with or related to the duties of such employee. However, honoraria or expenses paid for papers, talks, demonstrations or appearances made by employees on their own time shall not be deemed a violation of this Section provided such activity is approved by the Highway Commissioner.

XIV. TERMINATION

1. RETIREMENT

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2. DISMISSAL

An employee may be dismissed at any time for any reason at the discretion of the Highway Commissioner.

3. LAY-OFFS

The Highway Commissioner may reduce the work force of the Road District by laying off employees. The order of lay-off may be on the basis of work performance or on the basis of the shortest continuous employment with the Road District, except that temporary employees will be laid off before permanent, full-time employees.

EXHIBIT B

ALGONQUIN TOWNSHIP HIGHWAY DEPARTMENT

ROBERT J. MILLER, HIGHWAY COMMISSIONER
3702 NORTHWEST HIGHWAY - CRYSTAL LAKE, ILLINOIS 60014
(708) 639-2237 FAX (708) 639-4529

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3. LAY-OFFS

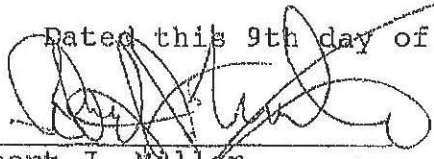
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CERTIFICATION

I, ROBERT J. MILLER, Algonquin Township Highway Commissioner, hereby certify that the attached Algonquin Township Road District Personnel Policies and Procedures were adopted by me on the 9th day of June, 1993.

I do further certify that a true and complete copy of these Algonquin Township Road District Personnel Policies and Procedures were submitted to the Town Clerk for filing.

Dated this 9th day of June, 1993.


Robert J. Miller
Algonquin Township Highway Commissioner