

EMERGENCY MANAGER CITY OF FLINT GENESEE COUNTY MICHIGAN

ORDER No. 16

APPROVAL OF COLLECTIVE BARGAIN AGREEMENT WITH FLINT I.A.F.F. – FLINT FIREFIGHTERS UNION

BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY MANAGER ("EMERGENCY MANAGER") FOR THE CITY OF FLINT, MICHIGAN ("CITY") PURSUANT TO MICHIGAN'S PUBLIC ACT 4 OF 2011, THE LOCAL GOVERNMENT AND SCHOOL DISTRICT FISCAL ACCOUNTABILITY ACT, ("PA 4"); MICHAEL BROWN, THE EMERGENCY MANAGER, ISSUES THE FOLLOWING ORDER:

On March 16, 2011, the Local Government and School District Fiscal Accountability Act, Public Act 4 of 2011, ("Public Act 4") was enacted to safeguard and assure the fiscal accountability of units of local government; to preserve the capacity of units of local government to provide or cause to be provided necessary services essential to the public health, safety and welfare of citizens; and

Pursuant to Public Act 4, the Emergency Manager has broad powers in receivership to rectify the financial emergency and to assure the fiscal accountability of the City of Flint and its capacity to provide or cause to be provided necessary services essential to the public health, safety and welfare; and

Pursuant to Public Act 4, the Emergency Manager acts in place of local officials, specifically the Mayor and City Council, unless the Emergency Manager delegates specific authority; and

Public Act 4 empowers the Emergency Manager to issue the orders the Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. Section 19(1) provides that an Emergency Manager may take on one or more additional actions with respect to a local government in receivership: (g) Make, approve or disapprove any appropriation, contract, expenditure (l) Act as sole agent of the local government in collective bargaining with employees or representatives and approve any contract or agreement; (ee) Take any other action or exercise any power or authority of

any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities...; and 19(2) ...the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the Emergency Manager.

The City and the I.A.F.F. - Flint Firefighters Union engaged in good faith collective bargaining, with a tentative agreement executed on April 2, 2012.

The tentative agreement was ratified by the I.A.F.F. - Flint Firefighters Union on April 14, 2012.

It is hereby ordered:

The terms and conditions of the parties' tentative agreement, attached hereto, are hereby accepted and adopted.

The Human Resources Director shall immediately implement the contract changes set forth in the tentative agreement and incorporate those into the collective bargaining agreement between the City of Flint and the I.A.F.F. - Flint Firefighters Union.

This Order may be amended, modified, repealed or terminated by any subsequent order issued by the Emergency Manager.

By:

Dated: April 16, 2012

Michael K. Brown

Emergency Manager

City of Flint

xc:

State of Michigan Department of Treasury

Mayor Dayne Walling Flint City Council

Inez Brown, City Clerk

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TENTATIVE AGREEMENT BETWEEN THE CITY OF FLINT AND THEFLINT FIRE FIGHTERS UNION LOCAL 352 INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (AFL-CIO)

March 31, 2012

WHEREAS, the parties agree to thistentative agreement in regards to a new collective bargaining agreement, the term of which shall run through June 30, 2014, under the conditions as set forth below;

NOW THEREFORE, in consideration of the mutual covenants, promises, and obligations contained in this Tentative Agreement, the parties agree as follows:

ARTICLE 12 SALARIES AND WAGES

Section 4. Reclassification and Reallocation

- o CAD Supervisor from \$63,080.16 to \$50,791.52.
- o Quartermaster from \$60,515.52 to \$56,998.24.
- o Comm. Specialist Trainee from \$33,467.20 to \$27,270.88.

ARTICLE 14 FOOD ALLOWANCE

o Eliminate for all employees.

ARTICLE 17 NIGHT BONUS

Eliminate for all employees.

ARTICLE 19 STANDBY

o Eliminate for all employees.

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ARTICLE 23 HOLIDAYS

• Eliminate one (1) paid holiday:Easter.

ARTICLE 24 ANNUAL LEAVE

Section 1. ACCRUAL OF ANNUAL LEAVE

• Reduce by one (1) hour per pay period for 50.4 hour employees and 40 hour employees.

ARTICLE 25 SICK LEAVE

Section 3. SICK LEAVE BONUS

Eliminate for all employees.

Section 3. SICK LEAVE BUYBACK

o Eliminate for all employees.

ARTICLE 46 HOSPITALIZATION INSURANCE

O The parties agree that the City may change the current medical plans for all active employees to the plans presented by the Employer at City Hall on March 29, 2012, and are attached as Exhibit 1.

Retiree Health Coverage NEW HIRES

Employees hired on or after the effective date of this Agreement ("new hire Employee") are ineligible for Employer-paid retiree health care coverage. Instead, the Employer shall establish a Retiree Medical Savings Account (RMSA) or other IRS-qualifying savings plan for each new hire Employee. The Employer will contribute \$1,500.00 per year to this account through installments of \$57.70 per pay period to be reflected on each new hire employee's pay stub. New hire Employees shall make a pre-tax employee withholding of \$600.00 per year to the Employee's RMSAthrough

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installments of \$23.08 per pay period. Employees shall be one hundred percent (100%) vested at all times on their own employee contributions and investment earnings. Employees shall be vested on Employer contributions and investment earnings according to the following schedule:

Completed Years of	Percent
Service	Vested
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

Annual Employer and Employee contributions to a new hire Employee's RMSA shall cease at the earlier of the Employee's separation from City employment (including retirement) or upon becoming eligible for Medicare. The Employee may use the RMSA for any purpose consistent with federal law and regulations.

ARTICLE 49 RETIREMENT

Employee Pension Contribution

o The employee annual contribution shall be increased to 9.5% of all earnings.

Section 1. <u>Multiplier and FAC Calculation</u>

All current employees shall have the portion of their pension earned for credited service time prior to April 15, 2012, calculated in accordance with the provisions of the collective bargaining agreement which expired on June 30, 2009. Effective April 15, 2012, the multiplier for all employeesshall be reduced to 2.25 for all credited service time after that dateand there shall be a cap of a total of 240 hours of overtime over base pay included as part of FAC. However, this revised formula shall not apply to current employees who have already accrued more than 240 hours of overtime in a period which could be included in FAC. Employees in those circumstances must retire using the currently accrued overtime and whatever additional accruals of overtime are earned prior to retirement, or be subject to therevised formula as set forth above.

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MISCELLANEOUS

- The parties agree to incorporate relevant currently existing Letters of Understanding and/orMemorandums of Understanding into thenew collective bargaining agreement.
- O Unless specifically modified herein, all other provisions of the collective bargaining agreement which expired on June 30, 2009 shall remain unchanged in the new collective bargaining agreement.
- O The parties understand, acknowledge and agree that the terms of thistentative agreement, the 2003 Act 312 Award (Bush Schneider) and the tentative agreement dated August 30, 2007 must still be converted into final contract language that both parties will have to review and approve. After all of the language has been approved by the parties, it shall be integrated into a single document which shall be executed by the parties and serve as the new collective bargaining agreement.
- This Tentative Agreement is not enforceable until fully ratified by the Flint Fire Fighters, Local 352.

FLINT FIRE FIGHTERS, LOCAL 352

CITY OF FLINT

MICHAEL BROWN Emergency Manager