

EMERGENCY MANAGER CITY OF FLINT GENESEE COUNTY MICHIGAN

ORDER No. 22

ACCEPTANCE AND ADOPTION OF COLLECTIVE BARGAINING AGREEMENT WITH AFSCME COUNCIL 25, LOCAL 1799

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 436 OF 2012, LOCAL FINANCIAL STABILITY AND CHOICE ACT, ("PA 436"); DARNELL EARLEY, THE EMERGENCY MANAGER, ISSUES THE FOLLOWING ORDER:

Pursuant to PA 436, the Emergency Manager has broad powers in receivership to rectify the financial emergency and to assure the fiscal accountability of the City and its capacity to provide or cause to be provided necessary services essential to the public health, safety and welfare; and

Pursuant to PA 436, the Emergency Manager acts in place of local officials, specifically the Mayor and City Council, unless the Emergency Manager delegates specific authority; and

Pursuant to PA 436, Section 12(1)(g), the Emergency Manager may make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; and

Pursuant to PA 436, Section 12(1)(1), the Emergency Manager may act as sole agent of the local government in collective bargaining with employees or representatives and approve any contract or agreement; and

The City and AFSCME Council 25, Local 1799, engaged in good faith collective bargaining.

The Emergency Manager hereby accepts and adopts the terms and conditions of the parties' Collective Bargaining Agreement attached hereto between the City of Flint and AFSCME Council 25, Local 1799, dated July 1, 2014 through June 30, 2016.

IT IS HEREBY ORDERED:

That the Human Resources Director shall immediately implement the contract changes set forth in the Collective Bargaining Agreement between the City of Flint and AFSCME Council 25, Local 1799.

This Order may be amended, modified, repealed or terminated by any subsequent Order issued by the Emergency Manager.

16-14 Dated

By: 11/0 Darnell Earley, ICMA-CM, MPA

Emergency Manager City of Flint

xc: State of Michigan Department of Treasury Mayor Dayne Walling Flint City Council Inez Brown, City Clerk

S:\P. Bade\EM2014\Orders\Order.No.22.Approval CBA Local 1799.doc

AGREEMENT

between

THE CITY OF FLINT

and

AFSCME LOCAL 1799

<u>7-16-14</u> THROUGH JUNE 30, 2016

TABLE OF CONTENTS

<u>ARTICLE</u>

<u>PAGE</u>

Preamble	4
Article 1, Recognition	5
Article 2, Pledge Against Discrimination and Coercion	6
Article 3, Definitions	7
Article 4, Part Time Employees	8
Article 5, Union Concerns	9
Article 6, Grievance Procedure	12
Article 7, Discipline	17
Article 8, Management Rights	18
Article 9, Work Rules	19
Article 10, Subcontracting	20
Article 11, Seniority	21
Article 12, Layoff - Recall	23
Article 13, Shift/Work Week Selection Procedure	.25
Article 14, Veterans Rights and Benefits	26
Article 15, Paid Time Off (PTO)	27
Article 16, Neutral Medical Opinions	. 31
Article 17, Workers' Compensation	32
Article 18, Bereavement Leave	.33
Article 19, Jury Duty	34
Article 20, Court Time	35
Article 21, Holidays	36
Article 22, Call-In Pay; Suspension of Services	38
Article 23, Overtime	39
Article 24, Stand By	40
Article 25, Car and Mileage Reimbursement	41
Article 26, Compensation Schedule	42
Article 27, Dual Classification Positions	43
Article 28, Temporary and Provisional Promotions	.44
Article 29, Pay Level - Reclassifications and Reallocation.	45
Article 30, Changes in Rates of Compensation	. 46

ARTICLE

Article 31, Rest and Meal Periods 47 Article 32, Tuition Reimbursement 48 Article 33, Authorized Payroll Deductions 49 Article 34, Employee Safety 50 Article 39, Hospitalization Insurance 55 Article 40, Optical Benefits 60 Article 41, Unemployment Compensation 61 Article 42, Retirement Benefits 62 Article 43, Residency 65 Article 45, Outside Employment 67 Article 46, Mandatory Days Off/Voluntary Days Off..... 68 Article 47, Separability and Savings Clause/Zipper Clause . 69

PAGE

PREAMBLE

THIS AGREEMENT, effective immediately upon its ratification by the parties or upon its imposition by the Emergency Manager is between the City of Flint and the 68th Judicial District Court, hereinafter referred to as "City" or "Employer" and Local 1799, affiliated with Michigan AFSCME Council 25, and chartered by the American Federation of State, county, and Municipal Employees, AFL-CIO, hereinafter referred to as "Union" or "Employee."

WHEREAS, it is the general purpose of this Agreement to promote the mutual interests of the City and its Employees and to provide for the operation of the services provided by the City under methods which will further, to the fullest extent possible, the safety of the Employees, economy and efficiency of operation, elimination of waste, realization of maximum quantity and quality of output, cleanliness, protection of property and avoidance of interruptions to production. The parties to this Agreement will cooperate fully to secure the advancement and achievement of these purposes, and

WHEREAS, it is the intent and purpose of this Agreement to assure sound and mutually beneficial working and economic relations between the parties hereto, to provide an orderly and peaceful means of resolving any misunderstandings or differences which may arise, and to set forth herein the basic and full agreement between the parties concerning rates of pay, wages, hours of employment, and other conditions of employment.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

ARTICLE 1 RECOGNITION

Section 1.

Pursuant to the Public Employment Relations Act, the City recognizes the Union as the exclusive bargaining representative for the classified supervisory Employees of the City and the 68th Judicial District Court, excluding temporary employees, interim employees, elected officials, appointed officials, confidential employees, administrative employees, executive employees, Golf clubhouse Aides, school crossing guards, and those employees represented by other certified bargaining units, for the purposes of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment.

Section 2.

When new classifications or positions are created, the Personnel Director shall, as soon as practical, give notice to the Union of the bargaining unit status of such new classifications or positions. If the Union disagrees with the Personnel Director's determination, the parties agree to meet and confer regarding such status within four (4) weeks of notification of same.

Section 3.

New employees who are disciplined or discharged during their initial hire probationary period shall not be entitled to union representation except if disciplined or discharged for union activity. The union shall, however, represent probationary employees for rates of pay, wages, hours of employment and other conditions of employment.

Section 4.

It is understood by the parties that the 68th Judicial District Court and the City are recognized as two (2) separate Employers under state statutes and existing case law.

ARTICLE 2 PLEDGE AGAINST DISCRIMINATION AND COERCION

The provisions of this Agreement shall be applied equally to all Employees in the bargaining unit without discrimination as to age, sex, marital status, race, color, creed, national origin, physical disability or political affiliation. The Union shall share equally with the Employer the responsibility for applying this provision of the Agreement.

All references to Employees in this Agreement designate both sexes, and wherever the male gender is used, it shall be construed to include male and female Employees.

The Employer agrees not to interfere with the rights of Employees to become members of the Union, and there shall be no discrimination, interference, restraint, or coercion by the Employer or any Employer representative against any Employee because of Union membership or because of any legal Employee activity in an official capacity on behalf of the Union.

The Union recognizes its responsibility as bargaining agent and agrees to represent all Employees in the bargaining unit without discrimination, interference or coercion.

ARTICLE 3 DEFINITIONS

(a) Full time Employee: shall mean one who at the time of employment and thereafter are regularly scheduled to work a normal forty (40) hour work week or are regularly scheduled to work eighty (80) hours per payroll period.

(b) Part Time Employee: shall mean one who at the time of employment and thereafter is scheduled to work less than a normal work week.

(c) Provisional Appointment: shall mean an appointment of a current (full time or part time) Employee to a position for an interim period while the position is being permanently filled. Upon termination of a provisional appointment, the Employee shall be entitled to return to his prior employment status.

(d) Dual Classification Position: shall mean a combination of two (2) positions of different classifications requiring the services of one (1) Employee, who has been certified as qualified and who may be required to perform in both classifications.

(e) Normal Work Week and Shift: A normal work week shall consist of forty (40) work hours in a calendar week or eighty (80) work hours per payroll period. A normal work shift shall consist of eight (8) to twelve (12) consecutive hours (excluding any meal break) and shall have a regular starting and quitting time. The definitions of normal work week and normal work shift do not constitute a guarantee of work. Work schedules may be any configuration of hours and days, and may include weekends, evenings, or a reduction of hours in any work week or shift.

(f) Continuous Operations: is defined as an operation regularly scheduled seven (7) days per week, twenty-four (24) or less hours per day.

(g) Regular Pay Period: shall include the first scheduled full shift which begins after 12:01 a.m. Sunday, and shall run to include the last shift scheduled to begin prior to midnight the second following Saturday. Such period is for two (2) weeks duration.

ARTICLE 4 PART-TIME EMPLOYEES

Section 1.

The City shall have the right to utilize part-time personal to augment the work force. The part-time personal shall be adequately trained (as determined by the City) before they are assigned.

Section 2.

The only benefits under this Agreement to which part-time Employees shall be entitled are those specifically enumerated and such benefits shall accrue and become payable under the conditions specified herein.

Section 3.

Part-time Employees who become regular, full-time Employees in the same or similar classification will be placed in that step of the compensation schedule to which their accumulated hours of straight time work as a part-time Employee shall entitle them, and they shall receive full credit for all straight time hours worked in determining future rate increases and fringe benefits as a regular full time Employee.

ARTICLE 5 UNION CONCERNS

CHECK-OFF/DUES DEDUCTIONS

Membership in the Union is not compulsory. Employees have the right to join, not join, maintain or discontinue their membership in the Union as they see fit. However, within thirty (30) days of employment, subject to applicable law, all employees covered by this Agreement joining the Union shall maintain membership in the Union by paying the Union's dues. The Union agrees not to solicit Union membership and not to conduct activities, except as otherwise provided for by the terms in this Agreement, during working hours of the employees or in any manner that may interfere with employees engaged in work.

During the period of time covered by this Agreement, the City agrees to deduct from the wages of employees who are members of the Union all Union membership dues and initiation fees uniformly required; provided however, that the Union shall present to the City written authorizations properly executed by each employee allowing such deductions and payments to the Union. Previously signed authorizations shall continue to be effective as to current employees and as to reinstated employees. Any future increase in Union dues and/or initiation fees shall not require employees to sign new authorization forms. The City has no obligation to deduct dues upon expiration of this Agreement.

At the City's option, the union shall reimburse the City an amount equal to 2% for all dues amounts remitted to the Union. If the Union fails to reimburse the City within 45 days of the dues remittance by the City to the Union, the City shall have no further obligation to continue dues check-off.

Union dues shall be deducted in equal installments each pay period thereafter for the life of this Agreement. As to Employees hired hereafter, said deduction shall commence the second pay day following employment and shall continue as set forth above.

In the event that a refund is due any Employee for any sums deducted from wages and paid to the Union, it shall be the responsibility of such Employee to obtain appropriate refund from the Union.

Local 1799, AFSCME, and/or Michigan AFSCME Council 25, shall indemnify and save the Employer harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer for purpose of complying with any of the provisions of this Article.

The total of all sums deducted by the Employer shall be remitted to the Treasurer of the Local Union not later than ten (10) days after such deductions are made, together with an itemized statement.

In the event the Union requests that the Employer deduct monies in excess of the amounts deducted as of the date of execution of this Agreement, such request shall be effective only upon written assurance by the requesting party that the additional amounts have been authorized pursuant to and under the Union's Constitution.

The Employer shall not be liable for the remittance or payment of any sums other than those constituting actual deductions made; and if for any reason it fails to make a deduction for any Employee as above provided, it shall make that deduction from the Employee's next pay in which such deduction is normally deducted after the error has been called to its attention by the Employee or the Union.

If during the term of this Agreement the Union determines that dues and service charges are to be deducted on a percentage formula basis, the initial cost increase incurred in implementing such a plan shall be borne by the Union.

UNION BUSINESS

Section 1. Union Offices

The names of Employees elected or appointed to Union offices, e.g. Officers, Stewards, Committee Members, shall, within thirty (30) days of election or appointment, be certified by the Union to the Director of Human Resources/Labor Relations. The Director of Human Resources/Labor Relations shall be promptly notified in writing of any changes occurring during the terms of office.

A maximum of 5 Stewards shall be elected or appointed to represent Employees and process grievances, across all shifts and locations of the Employer. The Local President shall assign areas to the respective Stewards. However, if an Employee, for good cause, cannot utilize the services of his area Steward, he may apply to the Local President or nearest Local Officer for assistance. If the Employer reduces the number of its primary work locations, the number of Stewards will be reduced accordingly.

The Union President will be released from his job function with pay for a maximum of eight (8) hours every week unless the Director of Human Resources/Labor Relations requests that additional time is needed. Such release shall be upon timely written request to or mutual agreement between the Director of Human Resources/Labor Relations and the Union President. Unused release time may not be carried over or accumulated for subsequent periods. Approval of such requests shall not be unreasonably withheld. This release time is for the purpose of allowing the Union President to participate at MERC hearings, grievance hearings, negotiations, meetings to clarify and revise the City's Personnel Rules and Regulations and perform other related duties as required.

The Union's Grievance Committee Chair will be released from his job function with pay, in lieu of the Union President, when it is necessary for that person to attend MERC hearings, arbitrations, negotiations and hearings or proceedings where union representation is essential, such as in cases involving discharges, suspensions, or imminent safety hazards. Such release shall be upon timely written request to and approval by the Grievance Committee Chair's supervisor. Approval of such requests shall not be unreasonably withheld.

Section 2. Constitution

Copies of the Union's current local, council and International Constitutions shall be furnished to the Director of Human Resources/Labor relations

Section 3. Attendance at Conferences, Conventions or Seminars.

Employees certified by the union may be granted, subject to the Director of Human Resources/Labor Relations approval, with notice to the Department or Division Head, leave without pay for the purpose of attending union conferences, conventions or seminars. Supervisory approval will not be unreasonably withheld. Such employees may use accrued PTO time for the period of such leave. The Union shall, at least ten (10) days prior to any such conference, convention or seminar, notify the Director of Human Resources/Labor Relations of the Employees certified by the Union to attend such meetings, such notice to contain the date, time, place and purpose thereof.

Section 4. Negotiating Team.

If the City decides to negotiate during the normal work shifts of members of the union's negotiating team, those members shall be released during their normal work shift without loss of pay, for the purpose of meeting with the City's negotiating team to negotiate a new collective bargaining agreement for Employees represented by the Union. The date, time and place of such meetings shall be established by mutual agreement between the parties and a maximum of three (3) members of the union's negotiating team shall be released for such purpose at any one time and only upon authorization by the Director of Human Resources/Labor Relations.

Section 5. Visits By Union Representatives.

The Union Representatives, Council and International Representatives of the American Federation of State, County, and Municipal Employees shall have reasonable access to the premises of the Employer at any time during working hours to conduct business relating to administration of this Agreement. Provided, however, advance notice of any desired meeting and prior authorization from the appropriate supervisor shall be secured before entering a work area. The supervisor will arrange a time and place for the meeting without undue delay.

Duly and properly appointed or elected Stewards shall be afforded the necessary time to reasonably investigate and process grievances during their regular working hours without loss of time or pay. However, their activities shall be confined to the areas which they represent and any deviation from this may result in disciplinary action by the Employer.

ARTICLE 6 GRIEVANCE PROCEDURE

A. The parties to this Agreement agree that the grievance procedure hereby established shall serve as the exclusive means for the amicable settlement of any dispute or grievance arising between the union and the Employer under the provisions of this Agreement, including the application, meaning or interpretation of same. The parties seek to secure at the lowest possible administrative level, equitable solutions to the grievance.

B. <u>General Provisions with Regard to Operation of the Grievance Procedure</u>.

1. "Grievance" shall mean a complaint by an Employee or a group of Employees based upon an event, condition or circumstance under which they work allegedly caused by a violation or misinterpretation of this Agreement. The grievance complaint shall set forth all the facts necessary to understand the issues involved, shall identify all the provisions of the Agreement alleged to be violated by appropriate reference, shall state all contentions of the Employee with respect to these provisions, shall indicate all relief requested and shall be signed by the aggrieved Employee(s). So far as possible, the Union and the Employer shall avoid publicizing any grievance or complaint founded thereon prior to the final determination of the issue.

The Union will make a reasonable investigation of any grievance before it is reduced to the formality of a written complaint, in order to ascertain that the complaint is justified and there are reasonable grounds to believe the claim is true in fact. The grievance shall be free from charges or language not germane to the real issue or conducive to subsequent calm deliberation.

- 2. The time limits set forth herein may only be extended by mutual consent.
- 3. Grievances shall be submitted within ten (10) work days of the event giving rise to the grievance.
- 4. In no case shall claims involving wages be valid for more than thirty (30) days retroactively from the date the grievance is first presented in Step 1 of the grievance procedure.
 - (a) All claims for back wages shall be limited to the amount of wages that the Employee would otherwise have earned at his regular rate less either any Unemployment Compensation not refunded by the Employee or Worker's Compensation, or any interim earnings that he may have received during the period of back pay.
 - (b) No decision in any case shall require a retroactive wage adjustment in any other case, unless such case has been designated as a representative case by mutual written agreement of the parties.

- 5. Failure of the Union to proceed with a grievance to the next step within the allotted time limits shall be deemed to be a withdrawal of the grievance. A grievance once filed and withdrawn shall not be refiled.
- 6. Failure of the City to respond to a grievance within the allotted time limit shall automatically advance the grievance to the next step of the procedure.
- 7. The grievant(s) and witnesses who are Employees of the City shall be relieved of their duties and shall appear and testify at any step of the grievance procedure when their presence and testimony is required by either party. Time spent by such grievant(s) and witnesses in meeting the terms of the provision, if and only if during normal working hours, shall be considered as time worked.
- 8. An Employee who is allegedly aggrieved shall be entitled to Union representation at the time he is aggrieved.
- 9. Class Action and Policy Grievance. A matter involving three or more employees and the same question may be submitted by the Union President or his designee as a policy or class action grievance in writing within ten (10) working days of the event giving rise to the grievance. Such written grievance shall be submitted at Step 3, with a copy of the grievance submitted to the Department Head. Large groups of aggrieved employees may be identified by a general description rather than by name (e.g., all third shift employees, all third shift Police Department employees).
- 10. Grievances regarding discharges or suspensions of ten (10) or more work days shall be submitted in writing at Step 3 of the procedure within ten (10) work days of the effective date of the discharge or suspension.
- 11. The parties agree in those instances in which a supervisor "waives" or "passes" on a grievance at the request of the union and/ or the aggrieved employee or on his own volition, the waiver shall have no effect on the procedural and/ or substantive matters of that grievance, and is without precedent to any other grievance.
- C. Grievance Procedure.

<u>Step 1</u>. An Employee with a grievance shall first discuss it with his immediate supervisor, either individually or with the Union Steward to try and resolve the matter informally.

If the grievance is not satisfactorily resolved with the supervisor's oral response to the Employee, the Grievance Committee member shall submit it to the supervisor in writing on the Grievance Form within three (3) work days. The supervisor shall respond in writing also within three (3) work days of receipt of the written grievance. If the immediate supervisor and the department head mentioned below are the same person, the written grievance will be filed at Step 2.

<u>Step 2</u>. If the grievance has not been satisfactorily resolved at Step 1, the Grievance Committee member shall present the grievance in writing to the appropriate department head, or his designee, within seven (7) work days after the immediate supervisor's written response is due. Within seven (7) work days after receipt of the grievance, the department head or his designee will meet with the Grievance Committee member to discuss the grievance. The grievant may attend the meeting if requested by either party. The department head, or his designee, shall respond to the Grievance Committee member in writing within seven (7) work days.

<u>Step 3</u>. If the grievance has not been satisfactorily resolved at the Step 2 level, it shall be appealed by the Chairman of the Grievance Committee or his designee to the Director of <u>Human Resources</u>/Labor Relations in writing within seven (7) work days after the department head's response is due.

The Director of Human Resources/Labor Relations will cause grievance appeal meetings to be set up. No less than one (1) day per month will be scheduled for reviewing appealed grievances. Grievances appealed by the first day of the month will be reviewed at that month's meeting. Two (2) representatives of the City, designated by the Director of Human Resources/Labor Relations, and two (2) representatives of the Union, designated by the Local president, will attend such meetings. The purpose of the meeting shall be to attempt to resolve the grievance or develop alternative solutions by mutual agreement.

In the event a grievance is resolved, the settlement shall be put in writing by a Labor Relations Representative and copies of the settlement shall be given to all parties no later than the next month's meeting.

If there is no accord upon the disposition of the appealed grievance, the Director of Human Resources/Labor Relations will notify the Union that the grievance is denied. Said notice shall be in writing and shall set forth the reasons for denial and shall be submitted within ten (10) work days after the meeting.

Either party may submit the grievance to arbitration by notifying the other party in writing of the desire to arbitrate within ten (10) work days from the date the response from the Director of Human Resources/Labor Relations is due. Such notice shall be in writing and shall identify all of the provisions of the Agreement allegedly violated, shall state the issues involved, and the relief requested. Within thirty (30) calendar days of the Union's desire to arbitrate to the Human Resources/Labor Relations Director, AFSCME Council 25 must notify the Director of Human Resources/Labor Relations in writing to request an arbitrator be selected or indicate that the grievance is being withdrawn without precedent. Failure by Council 25 to notify the Human Resources/Labor Relations Director within this thirty (30) calendar day period will result in the Employer's grievance answer being deemed acceptance of the determination made by the City on the grievance.

<u>Step 4.</u>

The arbitrator shall be selected by mutual agreement between the City and the union for the instant case. Arbitrations will be conducted in accordance with the rules and regulations of the American Arbitration Association. If an agreement is not reached by the parties, the services of the Federal Mediation and Conciliation Service will be utilized in the following manner: A list of at least seven (7) arbitrators will be requested from FMCS. If an arbitrator is not mutually agreed to from such list, within ten (10) work days from receipt of the list, FMCS will be requested to submit a second list of at least seven (7) arbitrators. In the event an arbitrator is not mutually agreed to from such list, within ten (10) work days from receipt of such second list, the Union and the City shall alternate in the striking of names from such second list until the name of only one arbitrator remains, and the last remaining arbitrator shall hear the case unless either party can substantiate in detail why that arbitrator shall not handle the case. After submission to the arbitrator, a hearing shall be held as soon as is practicable and the arbitrator shall issue an opinion and award. His decision shall be final and binding on the parties. The arbitrator's fees, travel expenses, the filing fee, and the cost of any room or facilities shall be borne equally by the parties incurring them.

D. Jurisdiction and Power of Arbitrator.

If either party shall claim before the Arbitrator that a particular grievance fails to meet the tests of arbitrability, the Arbitrator shall proceed to decide such issue before proceeding to hear the case upon the merits.

The Arbitrator shall have no power to add to, subtract from, alter, or modify any of the terms of this Agreement, including establishment or modification of any compensation plan.

The arbitrator shall have no power to alter, add to, or subtract from the terms of this agreement. Nor shall the arbitrator have power to establish or modify any classification or wage plan (except as provided in Article 29- Pay level – Reclassification and Reallocation, Section 3, or to rule on any claim arising under an insurance plan/policy or retirement plan. and The Arbitrator shall render his decisions in writing and set forth his findings and conclusions only on the cause at issue. In the event either party desires more than the basic finding of the arbitrator, such as a transcript, the cost shall be borne by the party making the request.

E. Arbitration Procedure.

At the time of the arbitration hearing, both the City and Union shall have the right to examine and cross-examine witnesses. Upon request of either the City or the Union, or the Arbitrator, a transcript of the hearing shall be made. All arbitrations shall be conducted under the rules and regulations of the American Arbitration Association then pertaining. At the close of the hearing, the Arbitrator shall afford the City and the Union a reasonable opportunity to furnish briefs.

F. <u>Cost of Arbitration</u>.

Each party shall pay its own costs of processing grievances through the grievance and arbitration procedure. The fee of the Arbitrator, his travel expenses, and the cost of any room or facilities and the expenses of the arbitration shall be borne equally by the parties. The expense of a stenographer and/or a transcript, if any, shall be borne by the party requesting it or equally among the parties requesting it if more than one party requests it. The fees and wages of representatives, counsel, witnesses, or other persons attending the hearing on behalf of a party and all other expenses shall be borne by the party incurring the same. Provided, however, the wages of the grievant will be paid for time spent in the arbitration, if that time is during the Employee's regularly scheduled work hours.

G. Finality of Arbitrator's Decision.

The Arbitrator's decision, when made in accordance with his jurisdiction and authority established by this Agreement, shall be final and binding upon the Union, the Employee or Employees involved, and the City.

The Union and the City will discourage and will not cooperate with or give aid to any member of the bargaining unit or department in any appeal from such decision to any Court or appeal board.

ARTICLE 7 DISCIPLINE

Disciplinary action issued by the Employer will be for cause.

Violations of policies, rules, regulations, orders, appropriate law or ordinance, and/or Articles of this Agreement shall be regarded as cause for disciplinary action, up to and including, discharge. Discipline (suspensions or discharge) may result from an accumulation of minor infractions as well as for a single serious infraction. Verbal warnings may be given by the Employer in instances when it is determined that formal discipline is not warranted. Depending on the nature, frequency and severity of the offense, the City shall adhere to progressive discipline in order to provide the employee with an opportunity to correct offending behavior. Formal progressive discipline shall generally include a written reprimand, suspension(s) and termination, in that order. The offense subject to discipline progression need not be identical to previous offenses, and the severity of the offense may remove it from progressive discipline altogether. Factors to consider in instituting discipline, progressive or otherwise, include but are not limited to, the severity of the offense, the frequency of offenses, whether the employee has taken responsibility and accountability for his or her actions, the time interval between offenses and the work history of the employee.

ARTICLE 8 MANAGEMENT RIGHTS

The City has the right to transfer, assign or reassign employees to different positions and assignments, including special assignments within the bargaining unit.

The Union recognizes that, except as specifically limited or abrogated the terms and provisions of this agreement and in addition to the reservation of management rights above, all rights to manage, direct and supervise the operations of the City and the Employees are vested solely and exclusively in the City, including but not limited to the right to hire new employees and direct the working force, to discipline, suspend, discharge for cause, transfer or lay off employees, require employees to observe City and departmental rules and regulations, to decide the services to be provided to the public, the type and location of work assignments, schedules of work and the methods, process and procedures by which such work is performed.

ARTICLE 9 WORK RULES

The Employer shall have the right to make and enforce reasonable written Work Rules. Prior to implementation, the Employer shall provide the Union and the Human Resources/Labor Relations Department three (3) days' written notice of the creation or revision of a Work Rule. The Union shall have the opportunity to meet and confer regarding a new or revised Work Rule. However, any delay in implementation of work rules will be at the sole prerogative of the Employer. Complaints as to the reasonableness of any new or existing rule, or any complaint involving discrimination in the application of new or existing rules shall be resolved through the grievance procedure.

ARTICLE 10 SUBCONTRACTING

Before the City contracts out an item of work, the City shall give the Union notice of intent to contract together with the request for quote or bid which involves labor which could be performed by bargaining unit members no later than the date that said bid package or request for quotes is made available to potential contractors. The Union may bid or submit a proposal on the contract for the work on an equal basis as other bidders. Upon the Union's request, the parties will meet and confer regarding any plan by the City to contract out bargaining unit work.

The City agrees that it will take every step available to insure that Employees affected by contracting of work are advised of employment opportunities in other City departments.

ARTICLE 11 SENIORITY

Section 1. Definitions.

(a) <u>City Seniority</u>. The Employee's original date of hire, by Employer, adjusted for time not worked/paid. City seniority shall be used for determining step increases in pay and/or paid time off (PTO) accrual(s).

(b) <u>Departmental Seniority</u>. The date the Employee joined his current division/department adjusted for time not worked/paid.

When a department, division or section of a division is transferred to another department, seniority in classification in the previous department shall be credited to the affected Employees.

(c) <u>Classification Seniority</u>. The date the Employee was promoted adjusted for time not worked, by Employer. Classification seniority shall be used for layoffs, scheduled PTO time and shift selection where applicable.

Section 2. Computation.

Seniority shall not be credited for time not paid, except under the following:

- (a) Military leave time as required by law.
- (b) Workers' Compensation, for the period when an Employee is receiving benefits under the statute, up to a maximum of one (1) year.
- (c) An employee who is promoted out of Local 1799 but within a regular promotional series, shall continue to accrue seniority for a maximum period of time equal to his seniority earned in Local 1799. Thereafter his seniority shall be retained but will not accumulate.
- (d) An employee who is transferred or promoted out of Local 1799 but not within a regular promotional series, shall retain seniority earned in Local 1799 but will not accumulate additional seniority within Local 1799.

Section 3. Loss of Seniority:

An Employee shall lose his seniority for the following reasons:

- (1) Resignation
- (2) Discharge not subsequently reversed
- (3) Retirement

- (4) Absence for three (3) consecutive days on which the Employee was scheduled to work without proper notification to the Employer. Because of unreported absence, the Employee is considered to have resigned (voluntary quit) and is no longer in the employ of the City of Flint. In proper cases exceptions shall be made upon the Employee producing convincing proof of his inability to give such notice.
- (5) Failure to report for work within seven (7) days from the date of mailing of notice of recall.
- (6) Failure to return to work upon expiration of an authorized leave of absence, subject to paragraph 4 above.
- (7) Failure to return to work from a leave caused by the employee's disability within one (1) year of the commencement of such leave. If an Employee on a leave caused by the employee's disability returns to work but fails to remain in active employment with the Employer for at least six (6) consecutive months, the Employer will consider any subsequent period on a leave caused by the employee's disability a continuation of the original period of leave for purposes of application of this paragraph; provided that, if the Employee can demonstrate by clear and convincing evidence that a subsequent period of disability is caused by a different injury or condition, that subsequent period will not be deemed a continuation of the original period of leave for purposes of application of this paragraph.
- (8) Layoff for a continuous period equal to the length of seniority, or two (2) years, whichever is less.
- (9) The Employee fails to return on the specified date following an approved disability leave. In proper cases, exceptions may be made upon the Employee presenting convincing proof of his/her inability to return on the require date.
- (10) The employee has been on an approved disability leave for a period of twentyfour (24) weeks or for a period of time equal to the length of his/her seniority at the time the approved disability leave commences, whichever is less.

ARTICLE 12 LAYOFF - RECALL

Section 1. When Layoff May Be Made.

(a) Employees may be laid off at the discretion of the Employer. Employees, other than interim, seasonal or temporary, to be laid off shall be given written notice of layoff a minimum of five (5) working days prior to the effective date.

(b) The Local President and Chairperson of the Grievance Committee shall for the purpose of layoff only, head the seniority list in their respective classifications during their respective terms of office. The provision of this subsection shall not apply to any changes made subsequent to the date a notice of layoff is initiated.

Section 2. The Order in Which Layoffs Shall Be Made.

In the event of a layoff, Provisional Employees within the affected classification will be laid off first.

Section 3. Procedure.

In the event of layoff, the following procedure will be followed:

Layoffs and recalls will be based upon classification seniority, by Employer, as defined in the Article entitled Seniority. Layoff of Employees shall be made in reverse order of their City seniority and recalls shall be made in order of their employment City seniority, by Employer.

(a) When need arises for laying off an Employee in a given classification, a classification seniority comparison shall be made of all Employees in the classification and that Employee with the least seniority shall be laid off. Ties in classification seniority shall be broken by total City seniority.

In cases where an Employee has been bumped from his/her promotional unit or classification, said Employee will have the option of returning to that promotional unit or classification when a vacancy occurs to which said Employee has seniority rights. In cases when an Employee has been promoted or transferred out of his/her class series, including into another bargaining unit recognized by the City of Flint or to exempt status, he/she may exercise the option of bumping back from whence he/she came, seniority permitting, in lieu of the above bumping rights. This right to bump back to a classification from whence he/she came shall not exist where the classification from whence he/she came is part of a recognized training series.

(b) When need arises to layoff an Employee serving a provisional or probationary promotional period, such Employee shall be restored to the job classification from which he was promoted, and layoff shall be made in the manner prescribed above. Time served in the

probationary position shall be credited as though served in the lower classification should layoff occur in that class.

(c) Employees may elect a layoff in lieu of the bumping rights set out in the above paragraphs, in which event such Employees shall be placed on the layoff list for the classification from which they are laid off.

Section 4. Recall.

Employees will be recalled in the reverse order of layoff, by Employer. In accordance with the Article entitled seniority, failure to report to work within five (5) working days from the date of mailing of notice of recall will be considered a voluntary quit. Notice of recall may be by personal contact, telephone or written communication and may be confirmed by certified mail from the Human Resources office to the Employee's address on file in the Human Resources office. The Employer may, at its discretion, make an exception to this return to work within five (5) working days rule when it believes it is warranted by the circumstances. Such discretion shall not be arbitrary or capricious. In the event the Employee is not reached by telephone or in person, and a certified letter is sent, and no response is received by the City from the Employee within five (5) working days from the date the certified letter was sent, the Employee shall be bypassed on the recall list and another Employee who can be contacted shall be recalled. Once an Employee turns down recall to a classification in a promotional unit he need not be contacted for future openings in that classification in that same promotional unit unless such Employee notifies the Human Resources/Labor Relations Director in writing he would now accept the appointment.

Section 5. Layoff List.

An Employee who is laid off or reduced shall be placed on the layoff list for the appropriate classification for a period of up to two (2) years, or the length of the Employee's City seniority, whichever is earliest. Names of probationary Employees who are laid off shall be returned to the eligible list for which certification was made.

An Employee unable to return to work because of a continuing disability after thirteen (13) payroll periods from the date of disability will be placed on the layoff list for the Employee's classification. The Employee will remain on the layoff list for a period of one (1) year or the length of the Employee's City seniority, whichever is less, from the date of disability. At any time during said period that the Employee has recovered, and a position in his classification becomes available and is not accepted by the Employee, the Employee shall be considered as having voluntarily quit. If no position has become available during said period the Employee's name shall be removed from the layoff list.

ARTICLE 13 SHIFT/WORK WEEK SELECTION PROCEDURE

Shifts, for shift preference purposes only, shall be designated as: first shift, any shift during which the starting time is between 4:00 a.m. and 11:59 a.m.; second shift, any shift during which the starting time is between 12:00 noon and 7:59 p.m.; third shift, any shift during which the starting time is between 8:00 p.m. and 3:59 a.m. The Employer may, in its discretion, change the definition of "shifts" for a location, classification, or department, or other division of the City.

In those areas in which by agreement work rules have been established providing for permanent shift assignment, the following procedure shall be used in shift preference determination:

(a) The selection of shift/work week assignment within the division shall be based upon classification seniority in the division. The shift/work week preference shall be exercised only during the period January 1 through 15, and only after written notice from the Employee of his desire to exercise shift/work week preference shall have been provided to the appropriate supervisor at least thirty (30) days in advance of January 1.

(b) The shift/work week preference changes shall take effect to coincide with a pay period.

(c) Shift/work week preference may also be exercised in the event of a permanent vacancy in the division without regard to paragraph (a) above.

(d) For the purpose of shift/work week preference, ties will be broken by classification seniority in the department. If still tied, total City seniority will prevail.

(e) Whenever possible, Employees will receive five (5) working days' notice of changes in shift/work week assignments.

The Employer may, in its discretion, override shift preference elections if the Employer reasonably determines that a different personnel allocation is needed on a shift or shifts.

ARTICLE 14 VETERANS RIGHTS AND BENEFITS

The City of Flint shall follow the applicable provisions of state and federal laws and regulations regarding the employment rights of members and veterans of the uniformed forces.

ARTICLE 15 PAID TIME OFF (PTO)

Effective August 1, 2014, or as soon thereafter as practicable, all current categories of time off including vacation, personal time, as well as health, maternity leave and FMLA, not covered by the disability insurance program in Section 6, will be classified as Paid Time Off (PTO).

All current bargaining unit employees shall have their current accumulated annual and sick bank as of that date converted to PTO time. Up to 250 hours of converted PTO time will be placed in the employee's Maximum Accumulation Hours Bank. PTO time in excess of 250 hours of the maximum accumulations at the time of conversion, will be placed in a holding bank and paid out at retirement, death, termination of employment (including discharge upon exhausting any appeals) at the rate of 100% of the employees straight time hourly rate in effect as of August 1, 2014. Such payment shall not be included as final average compensation for the purpose of computing retirement benefits.

Section 1 - Accrual of PTO Time

<u>PTO time</u> shall be computed and accrued on the basis of each payroll period that a regular Employee has at least 72 hours of straight time pay. If a regular Employee has forty (40) hours of straight time pay in a payroll period, but less than 72 hours, the Employee shall accrue one-half ($\frac{1}{2}$) the amount shown in the schedule below. PTO time shall be based on City seniority as defined in the Article entitled Seniority of this Agreement and shall be accrued on the following basis:

<u>Years of City</u> <u>Seniority</u>	<u>Maximum Hours</u> <u>Accrued Per Payroll</u> <u>Period</u>	<u>Maximum</u> <u>Accumulated Hours</u>
Less than 2	3.07	300
2 thru 10	4.61	300
11 thru 15	6.15	300
16 thru 19	7.69	300
20 and Over	9.23	300

PTO time may be cumulative but not to exceed the maximums set forth above, and any excess shall be forfeited.

Section 2 - General

Accumulation of PTO time shall begin at the date of employment, but may not be used until an Employee shall have worked six (6) months. Employees termination within the first six (6) months shall forfeit any right to payment or said accumulated time. In the case of Employees who go into the armed forces of the United States, such Employee shall receive allowance for

annual leave computed under the terms hereof from date of employment without regard to whether said Employees have worked less or more than six (6) months.

PTO shall not be paid where other City-paid benefits received by an Employee would result in cumulative payments in excess of his straight time hourly rate for a normal work week.

Employees requesting time off for the purpose of taking any examination administered by the City of Flint Personnel Department may be given time off as PTO, or without pay if that time off does not interfere with operations in the employees' department(s).

Section 3 - PTO Payout on Termination, Retirement, Death

Upon retirement or termination of employment (including at time of layoff and discharge upon exhausting any appeals), an Employee shall be compensated for his accrued PTO time at the time employment is terminated (including discharge upon exhausting any appeals), the Employee is laid off or the Employee retires at the rate of 100% of the Employees straight time hourly rate.

In the event of the Employee's death, unused accumulated PTO time shall be paid to the Employee's living beneficiary on the same formula basis as retirees. Said payment shall be made to the spouse, children, father, mother, sister, or brothers of the deceased Employee with preference being given to those persons in the order named unless the Employee, by a sworn statement filed with the Employer prior to death, has established a different order, without requiring letters of administration to be issued upon the estate of the deceased Employee.

Section 4 - Scheduled PTO Time

All requests for scheduled PTO shall be determined at the discretion of the division head or designee dependent on the needs of the department and seniority of the employees. Within this context, wherever possible, the division head or designee shall give preference to seniority employees in granting requests.

Schedules shall be developed by the division head or designee on the basis of departmental seniority. Within the discretion of the division head or designee, the Employee may be required to work all or part of the scheduled PTO time that the Employee would normally have been on scheduled PTO, and in lieu of scheduled PTO, shall be paid the scheduled PTO pay provided in this Article, which PTO pay shall be in addition to the compensation received for the time actually worked during said period.

Employees requesting scheduled PTO will be required to make request and receive approval from the division head or designee twenty-four (24) hours prior to the commencement of the PTO.

Section 5 – Unscheduled PTO Time

Health Related Conditions

PTO for health related conditions shall be taken in increments of at least one (1) hour or up to the balance accrued if the accrued balance is a fraction of an hour, provided, however, in areas where work crews are assigned at the start of the normal work shift, the appointing authority may require that PTO be used in four (4) hour increments at the start of the normal work shift.

Departmental rules may require that the Employee notify his department prior to the start of his normal work shift of any disability or illness which will cause his absence. In all other cases, the Employee shall notify his department of such disability or illness within one-half ($\frac{1}{2}$) hour after the start of his normal work shift.

Notification to the division head and request for PTO for health related conditions may be made by telephone, and the appropriate division head or his authorized representative will cause a written request to be filed. In those instances where an Employee has advance knowledge of a health condition necessitating PTO, the Employee shall, prior to the beginning of the leave, file a written request for PTO with the appropriate division head or his authorized representative.

Any Employee who has exhausted his available PTO shall have any additional lost time due to his health taken without pay.

PTO shall not be paid where other City-paid benefits received by an Employee would result in cumulative payments in excess of his straight time hourly rate for a normal work week.

When an Employee is absent from work for a period of three (3) or more consecutive work days, a certificate from a licensed physician, noting the cause of such absence may be required and if required, shall be furnished before the leave request is granted for purposes of compensation. In addition thereto, the Employee may be required by the department head or authorized representative to be examined by the City Physician to determine whether the Employee has recovered sufficiently from the condition causing such absence to return to work.

A certificate from a licensed physician noting the cause of the absence may be required by the department head of any Employee who has taken PTO for health related conditions on three or more occasions within the fiscal year. Work rules may be modified to exceed the limits set forth above.

Employees absent/late without just cause, are subject to discipline for any unapproved absence.

Non Health Related Conditions

Employees absent/late without just cause, are subject to discipline for any unapproved absence.

Employees requesting PTO for non-health related reasons must request and receive approval from the Employer twenty-four (24) hours before PTO begins. If an Employee is absent and advance notice is not given, the Employer may require proof that the Employee could not provide prior notice.

Where an Employee finds that he will be unable to report for work where prior notice was not possible, such Employee shall notify the appropriate supervisor within one-half (1/2) hour prior to the Employee's scheduled starting time.

Section 6. Disability Insurance Program

The City will provide a short-term disability insurance program for Employees with extended absences. Such program will provide an eligible Employee (as determined by the insurance carrier/provider) with a wage continuation equivalent to sixty (60%) percent of the Employee's straight time rate to a maximum of \$1250 per week in gross pay, commencing after the fifteenth (15th) calendar day waiting period and extending for no more than Twenty-Four (24) weeks.

Eligibility for benefits under this program will be subject exclusively by the terms and conditions of the insurance carrier, and determined by the processes and policies of the insurer, which will be selected in the sole discretion of the City. Employees are bound by the terms and conditions of the carrier which are not subject to the grievance procedure.

The City may establish administrative rules to facilitate the disability insurance program at its sole discretion.

The City may choose to utilize the benefits of both a short term and long term insurance policy, or be self-insured, in order to provide this benefit.

The City may also determine in its sole discretion to change insurance companies, or discontinue the program in its entirety should the City's cost of providing the benefit be substantially increased from the original premium.

Accumulated PTO time may be utilized at the written request of the Employee in order to receive pay during the waiting period. Employees are not eligible to receive any other pay including, but not limited to holiday pay during the waiting period.

Seniority and other benefits will not accumulate during the disability period, except for any time an Employee receives PTO pay during the waiting period.

30

ARTICLE 16 NEUTRAL MEDICAL OPINIONS

When the Employer's physician has determined that an Employee is either able or unable to work and the Employee's private physician disagrees, the Employer may seek a third, independent medical opinion. The Employee will cooperate in any examination needed for that third opinion. However, nothing in this Article restricts the Employer from exercising its right to determine whether an employee is fit for duty.

ARTICLE 17 WORKERS' COMPENSATION

Employees shall be covered by the Workers' Disability Compensation Act and applicable related state regulations.

ARTICLE 18 BEREAVEMENT LEAVE

(a) When death occurs in the Employee's immediate family, i.e., spouse, parents, stepparents, children, and step-children, the Employee, upon request, will be granted bereavement leave for the first five (5) scheduled working days immediately following the date of death.

In instances where the funeral is delayed, such as for an autopsy or while the body is being shipped, etc. the bereavement leave shall be delayed accordingly provided documentation of the delay is furnished upon request.

(b) When death occurs to any of the Employee's parents-in-law, brothers, sisters, sisters-in-law, brothers-in-law, grandparents, grandparents-in-law, sons-in-law, daughters-in-law, grandchildren, or other relatives permanently residing in the Employee's home, the Employee, upon request, will be granted bereavement leave for the first three (3) scheduled working days immediately following the date of death, provided he attends the appropriate death related service. The supervisor may require evidence of such attendance in the form of a sympathy card or obituary notice.

(c) In the event the Employee is notified of the death during his scheduled work shift and requests to be excused immediately, said Employee shall be released as soon as possible and shall have the option of having the remainder of his shift charged to his accrued annual leave or having said day counted as the first day of the bereavement leave to which he may be entitled.

(d) If a death occurs under these provisions while an Employee is on annual leave, upon notice his status shall be changed from annual leave to be eavement leave.

(e) Employees granted bereavement leave under this Article shall, after making written request for this leave and submitting proof of relationship, receive the amount of wages they would have earned by working during straight time hours on such scheduled days of work for which they are on bereavement leave.

(f) Employees may be granted additional time off for travel or otherwise by use of earned annual leave upon approval of their supervisor or department head. The decision of the supervisor or department head relative to the use of annual leave for such purpose shall not be arbitrary.

ARTICLE 19 JURY DUTY

(a) Time spent by an Employee on jury duty during his normal work shift before any Federal or State Court shall be considered as time worked. The Employee shall inform the immediate supervisor of such obligation as soon as possible following receipt of the subpoena.

(b) An Employee complying with the above responsibilities and upon supplying to the appropriate department head adequate proof that he has reported for such jury duty, shall turn over to his supervisor his jury pay, who in turn shall deposit said pay with the appropriate fiscal officer.

(c) An Employee serving on a jury who completes such jury duty prior to the end of the work day shall promptly report to his supervisor and return to his regular position for completion of the work day, unless the Employee has had prior authorization from his supervisor to charge the remainder of his work shift to accrued PTO time in which event the Employee shall promptly report to his supervisor the number of hours spent on jury duty. Reasonable time will be afforded for a lunch break and for change of attire, where applicable, prior to reporting for work for the balance of the shift.
ARTICLE 20 COURT TIME

Employees subpoenaed to appear in any Federal or State Court, as the result of their employment, shall have such time treated as time worked. Subpoena fees received by said Employees shall be paid to their supervisor, who shall deposit said sum with the Department of Finance. Mileage fees received by Employees shall be delivered to the supervisor and deposited by him with the Finance Department only in those instances where transportation is furnished by the City or the Employee is being paid mileage for the use of his private vehicle for City business.

Time spent, whether on or off duty, in any proceeding of the Employee against the City or as a witness of any employee against the City is not considered Court time under this article and will not be compensated.

ARTICLE 21 HOLIDAYS

Section 1. Holiday Observance.

The following days shall be designated as holidays:

Independence Day Labor Day Thanksgiving Day Christmas Eve Christmas Day New Year's Eve New Year's Day Martin Luther King's Birthday Memorial Day

All holidays shall be observed on the day such holidays are observed by the State of Michigan.

Section 2. Employees Who Are Not Required to Work.

- (a) In the event a Holiday falls on the Employee's regularly scheduled work day, an employee that is not required to work shall receive eight (8) hours of straight time pay.
- (b) In the event a Holiday falls on the Employee's regularly scheduled day off, the Employee shall be credited with eight (8) hours of PTO time.

Section 3. Employees Who Work on a Holiday.

- (a) An employee that is required to work on a holiday shall receive:
 - (i) Straight-time pay for all hours worked and
 - (ii) eight (8) hours of straight time pay.

Section 3. Duplication of Holiday Benefits.

Employees required to work both the calendar date and the designated date of a holiday shall receive holiday benefits only for the calendar date of the holiday.

Section 4. Unauthorized Leave.

Employees who are absent the last scheduled work day preceding the holiday, or the first scheduled work day following a holiday, which absence is not authorized, shall forfeit holiday pay. Employees scheduled to work on a holiday, who fail to report for work and whose absence is unauthorized, shall forfeit holiday pay.

ARTICLE 22 CALL-IN PAY; SUSPENSION OF SERVICES

- (a) Any Employee brought back to work on call-in, shall be paid a minimum of one (1) hour at the applicable straight time. If in excess of forty (40) hours worked in any work week the employee shall be paid overtime premium pay at the rate of one and one-half (1¹/₂) times their basic rate of compensation for those hours worked.
- (b) If the City's Chief Executive ,or their designee, suspends some of its services due to weather or other emergency, Employees who work will receive payment for actual hours worked, and employees who are excused from work due to the emergency may use PTO time, or approved unpaid time off to cover time not worked.

No Employee shall receive compensation for time not expended in City employment except as earned and paid pursuant to this Agreement. It is understood that this provision does not apply to back pay awards made by any court, commission, or person authorized by law or by mutual agreement to do so.

ARTICLE 23 OVERTIME

Section 1 – Overtime Pay

Employees who work in excess of forty (40) hours worked in any normal work week established by the employer shall be paid overtime premium pay at the rate of one and one-half $(1\frac{1}{2})$ times their basic rate of compensation for those excess hours worked.

All work in excess of a normal work shift and/or normal work week must be approved by the supervisor prior to commencement of such work.

Section 2 – Overtime Distribution

The Employer will make every effort annually to equalize available overtime work (voluntary and mandatory) among Employees qualified to do the work available and working within the same job classification and division. In no event will any pay result over any claim arising out of this article.

ARTICLE 24 STANDBY

An Employee may be required to remain on call at his home or other reasonably accessible location for such time as the Employer may determine. The Employer will attempt to equalize assignment of standby duty among qualified Employees of said department where practicable. An Employee on standby duty shall receive one and one-half (1 1/2) hours pay at his straight time hourly rate of pay for each day of standby duty. Additional benefits do not accrue for standby. Standby time shall not be considered "time worked".

ARTICLE 25 CAR ALLOWANCE AND MILEAGE REIMBURSEMENT

Employees may be required to furnish their own transportation when required to perform their assigned duties. In such cases, employees must maintain a valid Michigan Driver's License. The City, in its discretion, may eliminate the requirement that an Employee provide his own transportation and alternatively require the Employee to use transportation provided by the City.

Section 1. Mileage Reimbursement.

An Employee who is required to furnish his or her own transportation in order to perform their assigned duties shall be reimbursed for all miles driven at the standard mileage rate established by the Internal Revenue Service (IRS).

In order to receive any type of Mileage Reimbursement, a record of all actual miles driven shall be required by each Employee prior to receiving reimbursement. Said record shall be on forms provided by the City and submitted to the Employee's Department/Division for review which will then forward the record to the Department of Finance for inspection and payment.

Section 2. Issuance of Checks.

Mileage reimbursement checks shall be processed in accordance with the City travel policy.

Section 3. Provision of Liability Insurance

Each such Employee shall provide liability insurance of \$100,000/\$300,000.

41

ARTICLE 26 COMPENSATION SCHEDULES

The salaries and wages to be paid under this Agreement shall be in full accord with the compensation schedules attached to this Agreement as Attachment A.

ARTICLE 27 DUAL CLASSIFICATION POSITIONS

Section 1. Compensation.

Employees who are employed in dual classification positions shall be paid at the rate which will reflect the time worked by the Employee in each classification. In no case shall an Employee performing work in the higher classification be paid less than one-half ($\frac{1}{2}$) hour at the higher rate.

Section 2. Leaves.

When taking PTO time, Employees who are employed in dual classification positions shall be paid at the lower rate.

Section 3. Inter-unit Dual Classification Positions.

An Employee working in a dual classification position, of which one position is represented by Local 1600 and one is represented by Local 1799, shall, for all purposes, be treated as a member of Local 1600.

ARTICLE 28 TEMPORARY AND PROVISIONAL PROMOTIONS

Section 1. Temporary Promotions.

A temporary promotion to a position in a higher level, made necessary by reason of the absence of a regular Employee, may be authorized by the Personnel Director, consistent with personnel rules, upon written request of the appointing authority. Such temporary promotion shall continue during the absence of the regular Employee or as the Employer otherwise directs.

Section 2. Benefits for Temporary and Provisional Promotions.

During a temporary or provisional promotion, the Employee will receive the benefits provided by this contract consistent with the Employee's status as though he had not received the promotion, except for wages. The Employee will be paid the wage consistent with the classification to which he was promoted. Employees promoted to "exempt" positions level 23 and above shall not be entitled to overtime.

ARTICLE 29 PAY LEVEL RECLASSIFICATION AND REALLOCATION

Section 1. Reclassification Requests.

In any calendar year during the term of this Agreement, the Union President may submit one (1) reclassification request each quarter. A reclassification or reallocation request shall include a CS-39 completed form with the employees and supervisors signature verifying the information.

The City of Flint Human Resources/Labor Relations Department will determine whether the incumbent is correctly working within their current job description and classification and advise the Union President of the determination.

(a) If the Human Resources/Labor Relations Department determines that over 50% of the current incumbent's duties are in another, higher classification, then the incumbent will be promoted to that position effective the first full pay period following the Human Resources/Labor Relations Department determination. When an Employee is placed in a different pay level by reason of reclassification or reallocation, said Employee's pay rate will change the first full pay period following the Human Resources/Labor Relations Department determination,

(b) Absent a determination of the CS-39 within 120 calendar days of its submission to the Human Resources/Labor Relations Department, the Union may present a grievance at Step 3 of the Grievance Procedure. Any pay from a grievance settlement will not be awarded prior to 30 calendar days of the date of the grievance written filing after the Employer's denial.

Section 2. New Classifications, Reclassifications, Reallocations

The City shall have the exclusive right to establish new classifications, to reclassify existing classifications and to reallocate wage rates to classifications. When such changes are made, the Union will be provided a copy of the new/revised position description and the established rate of pay at least five (5) work days prior to implementation. Upon request of the Union a meeting shall be held (either before or after implementation) to allow the Union the opportunity to meet and confer with the Human Resources/Labor Relations Director or their designee as to the wage rate of such classification. However, any delay in the implementation will be at the sole prerogative of the Employer.

If there is no agreement upon the rate of pay, the matter as to the appropriate pay rate may be referred to Step 3 of the Grievance Procedure.

Section 3 – Arbitrator Authority

If arbitrated as provided in Sections 1, and 2, the Arbitrators only authority is to determine if the Employer's decision was not reasonable. If such is the case, the Arbitrator will refer the grievance back to Step 3 for further review.

ARTICLE 30 CHANGES IN RATES OF COMPENSATION

(a) Step advancements in the compensation plan shall accrue only for City seniority, as defined in the Article entitled Seniority.

(b) Changes in compensation shall be paid at the beginning of the first full pay period following the change.

(c) When an Employee is placed in a lower classification as the result of bumping exercised in accordance with the Article entitled Layoff-Recall, the change in rate of compensation shall become effective at the beginning of the first full pay period following the change.

ARTICLE 31 REST AND MEAL PERIODS

(a) All Employees shall have one (1) rest period of fifteen (15) minutes per four work hours, to be scheduled by the immediate supervisor. Said periods shall not be cumulative, nor shall Employees be entitled to additional compensation in lieu of a rest period. Rest periods should not disrupt the regular business of the day. Employees may not leave the work premises during rest breaks. An Employee who works in excess of his/her normal work shift shall be permitted an additional fifteen (15) minute rest period upon completion of each two (2) hour period on a like basis.

(b) <u>Meal Periods.</u> All Employees shall be granted a lunch period, not to exceed one hour including travel time, for which they shall not be compensated during each work shift. Whenever practical, the lunch period shall be scheduled at the middle of each shift.

(c) For continuous operations, work rules apply.

ARTICLE 32 TUITION REIMBURSEMENT

Section 1.

If a regular Employee desires to enroll in one or more job related courses at an accredited educational institution while continuing in full-time employment, he shall submit in advance of commencing such course or courses a letter of application to the Human Resources/Labor Relations Department for reimbursement of the cost of his tuition.

Section 2.

The letter of application shall list the course or courses to be taken by course title and number along with a description of the course content. Also to be included is the name of the educational institution, location of the course offering, dates, times and costs thereof.

Section 3

The Employer will deny an application for tuition reimbursement if it reasonably determines that the course work is not related to the Employees job or job progression.

Section 4.

Upon proof of satisfactory completion of any course or courses and of the amount expended for tuition therefore, the Employee shall be reimbursed for such tuition up to \$500 per fiscal year; provided, that the Employee agrees, in writing, to remain a full time Employee for a period of one (1) year following the completion of the course and likewise agrees that if he leaves the City's employ before the expiration of the one (1) year, he will have deducted from his final pay an amount equal to one-twelfth (1/12) of the tuition reimbursement for each month or portion thereof lacking of the one (1) year requirement. Reimbursement for tuition to bargaining unit Employees under this Article by the City of Flint shall not exceed the sum of \$3,500 during any one (1) fiscal year. Payment will be made on a first application date basis, up to the maximum limit.

ARTICLE 33 AUTHORIZED PAYROLL DEDUCTIONS

Section 1.

The Employer may withhold from wages federal, state, or local employment taxes, other deductions expressly permitted by law, and any deductions provided by the Contract, such as, but not limited to, health insurance premiums, health savings account payments and retirement contributions, without obtaining the Employee's written consent. During the term of this Agreement, the Employer will withhold union dues from any Employee who so authorizes in writing.

Section 2.

An Employee receiving an overpayment or underpayment of wages will immediately notify the Employer of that overpayment or underpayment. The Employer may recover overpayments of wages or fringe benefits as provided by Michigan law.

ARTICLE 34 EMPLOYEE SAFETY

Section 1. Safety.

The City is committed to providing safe work conditions for its employees. The Employer will establish those safety committees required by law. The Union may request a meeting with the Human Resource/Labor Relations Director in writing to meet and confer on safety related concerns.

Section 2. Safety Equipment/Devices.

Any protective clothing or protective device, over and beyond normal wearing apparel, required by the Michigan Occupational Safety and Health Act or the City to be worn and/or used in the performance of a specific job or duty, shall be furnished and maintained by the City at their sole discretion. The City will determine the terms under which it will provide and replace such protective devices or clothing. Employees shall wear issued safety equipment during working hours.

ARTICLE 35 INSURANCE COVERAGE

For any insurance benefit provided by this Agreement, the Employer has the right to select the carrier(s), to select the insurance policy or policies, to change carriers, and/or to become self-insured.

Each insurance benefit provided by this Agreement is subject to the terms and conditions specified in the insurance policy or policies. No claim settlement between the Employee and any such insurance carrier(s) shall be the basis of a grievance or subject to arbitration. The Employer, by payment of the premium required to provide the coverage as agreed upon, shall be relieved from all liability with respect to the benefits provided by the insurance coverage. The failure of an insurance company to deliver any of the benefits for which it has contracted for any reason shall not result in any liability to the Employer or the union, nor shall such failure be considered a breach by either the Employer or the union of any obligation under this Agreement. Eligibility, coverage, and benefits under any insurance plan are subject to the terms and conditions, including any waiting period or other time limits, contained in the contracts between the City and the carrier(s).

The Employer may determine to offer or cease offering voluntary benefit plans (e.g., AFLAC) at its discretion at any time.

This Agreement may refer to the City's obligation to pay premiums to provide certain insurance (to wit, life, hospitalization, dental and optical). In fact, the City is or may elect to become self-insured on some of these benefits. Therefore, it is understood that the City is obligated to provide the coverage and benefits outlined in the agreement, but that this does not require the city to pay premiums for insurance contracts as such.

ARTICLE 36 LIFE INSURANCE

The Employer agrees that, for the duration of this Agreement, it will pay the premiums to furnish \$25,000.00 of group life insurance and \$25,000.00 accidental death and dismemberment insurance for full-time Employees.

This insurance coverage will begin the first day of the month following the Employee's obtaining six (6) months of City seniority accrual. The coverage shall be discontinued on the day the Employee's services are terminated, the Employee quits, retires, is laid off, or is otherwise not on the payroll; provided, however, such insurance coverage will be continued for an Employee who is on an approved leave of absence without pay for a period not to exceed six (6) months. Provided further, that if the Employee is discharged and the discharge is ultimately reversed the Employer will be liable for any life insurance benefits that would have been otherwise due.

Forms will be made available to Employees by the Employer whereby Employees can designate a beneficiary on this life insurance coverage, and in the event no beneficiary is designated, the policy will be payable to the Employee's estate.

Life Insurance Coverage will be continued while an employee is on an authorized disability leave as provided in Article 15, Section 6, if the employee is otherwise eligible. The Employee shall be obligated to pay his or her premium share, if any, within 14 days of established due date or insurance coverage will be cancelled.

ARTICLE 37 PAYMENT IN LIEU OF INSURANCE COVERAGE

The City will pay to eligible Employees, under the conditions herein set forth \$100/month, paid monthly, an annual amount in lieu of hospitalization insurance coverage. All payments shall be for the twelve (12) billing periods immediately prior to December 1. The payment shall be made as an adjustment to a regular paycheck, and only those Employees who are entitled to a regular pay check the first day in December shall be entitled to the payment in lieu of insurance coverage.

ARTICLE 38 DENTAL INSURANCE

Dental coverage shall be provided at the level and by the carrier (including self insurance) as determined by the Employer at the Employee's option. The Employee pays 50% of premium cost through payroll deduction.

If an Employee does not have sufficient funds in a paycheck, the Employee shall be obligated to pay his or her premium share within 14 days of established due date or insurance coverage will be cancelled.

Dental Coverage will be continued while an employee is on an authorized disability leave as provided in Article 15, Section 6, if the employee is otherwise eligible. The Employee shall be obligated to pay his or her premium share, within 14 days of established due date or insurance coverage will be cancelled.

ARTICLE 39 HOSPITALIZATION INSURANCE

Section 1. Employee Health Insurance.

The Employer agrees to provide full-time Employees and their eligible spouses and dependents health coverage subject to the terms below, subject to modification as may be required by the Patient Protection and Affordable Care Act ("PPACA") as amended beginning in 2014.

- a. The City shall not provide health care coverage for the Employee's spouse if the spouse is eligible to receive health coverage through an Employer or former Employer of the spouse. As a condition of continued spousal health care coverage under this section, the City may require that the Employee file an affidavit each year or upon request attesting that the spouse is eligible for no other Employer-paid health coverage.
- b. The Employer will offer eligible Employees the following health coverage plans:
 - (i) BCBSM Community Blue PPO Plan CB 12 PPO with \$1,000/\$2,000 deductible and \$10, \$40, \$80 (30 day supply) prescription drug coverage;
 - (ii) Health Plus Plan DVDF and \$20, \$40, \$60 (30 day supply) prescription drug coverage;
 - (iii) McLaren Health Plan C6 and \$10, \$25, \$50 (30 day supply) prescription drug coverage

The Employer may offer a high deductible plan in conjunction with a health savings account (HSA), to be offered in a special open enrollment not subject to subsection (c) below.

Employees may change their coverage elections during an open enrollment scheduled by the Employer. Plan coverage will be subject to the coverage terms and regulations of each carrier.

- c. The Employer may, at its discretion, amend the health coverage plans offered, add new health coverage plans, or remove health coverage plans. The Employer may change the open enrollment periods for existing health coverage plans, but not more often than twice annually.
- d. The Employer reserves the right to change or discontinue the existing health insurance benefit program in response to the Patient Protection and Affordable Care Act ("PPACA"), as amended. This includes the right to respond to

regulations issued under the PPACA or judicial interpretations of the PPACA. The Employer reserves the right to change or discontinue the existing health insurance benefit program in response to changes made in Medicare.

The City's contribution for an Employee's health coverage, and to the health e. savings account (HSA), if applicable, is limited by the Michigan Publicly Funded Health Insurance Contribution Act, 2011 PA 152, to a maximum of defined amounts for single, double or family coverage contribution limits provided in Section 3 of the Michigan Publicly Funded Health Insurance Contribution Act, 2011 PA 152, as adjusted by the State Treasurer for each subsequent coverage year, or (ii) the aggregate costs based on the illustrative rates for the elected health coverage, plus contributions to the Employee's HSA, if applicable; or in the alternative, to a maximum of 80% of the annual premium amount for single, double, or family coverage. Pursuant to provisions of the state law, the Employer will select its method of setting its method and amount of the Employer's contribution on an annual basis. The Employer will annually inform its Employees of its decision and the amount of the Employer's contribution prior to open enrollment for the upcoming plan year. The Employee will pay any premium contributions that exceed the amount contributed by the Employer through payroll deduction. Contributions to the HSA will be provided in accordance with HSA regulations. If an Employee does not have sufficient funds in a paycheck, the Employee shall be obligated to pay his or her premium share within 14 days of established due date or insurance coverage will be cancelled. If PA 152 of 2011 is repealed, the Employer shall pay 80% of the annual premium.

Section 2. Future Retiree Health Coverage.

A. <u>Current Employees, New Employees, Deferred Retirements.</u>

1. Full-time Employees hired on or after April 25, 2012, are not eligible 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 affected Employee. The accounts may be used by the Employee, their spouse, or their dependents to offset the cost of healthcare after the Employee retires or separates from service. MERS shall administer the RMSA program as described herein. The MERS Plan document, policies and procedures of MERS shall control the administration of the program.

2. For all full-time Employees hired on or after April 25, 2012, the Employer shall contribute to the Employee's RMSA \$57.70 per pay period for time worked for which the Employee has more than 40 hours of straight time pay, beginning with the date of hire. Effective the first pay period after August 1, 2014, or as soon thereafter as practible, Employees shall make a pre-tax contribution to the Employee's RMSA (through payroll deduction) of \$23.08 per pay period for time worked for which the Employee has more than 40 hours of straight time pay. Additionally, an Employee may contribute additional amounts on a post-tax basis through payroll deduction.

4. Employees shall be one hundred percent (100%) vested at all times on their own

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

Employee contributions and investment earnings. Employees shall be vested on Employer contributions and investment earnings according to the following schedule:

5. Employer and Employee contributions to an Employee's RMSA shall cease at the time of the Employee's separation from City employment (including retirement), or as otherwise required by law. The Employee may use the RMSA for any purpose consistent with federal law and regulations.

6. An Employee who elects a deferred retirement on or after April 25, 2012 is not eligible for the retiree health care coverage provided by this section.

B. Employees Vested for Regular Retirement.

1. An Employee whose rights to a non-deferred defined benefit pension vested by virtue of the Employee's age and service on or before April 25, 2012, may, upon retirement, elect health care benefits for the Employee, the Employee's spouse, and the Employee's dependents in existence at the time of retirement, on the same terms (including required contributions to premiums) and with the same benefit levels as offered to current regular Employees, until the Retiree becomes eligible for Medicare due to age, disability, or end stage renal disease. However, effective August 1, 2014, the Employer's contribution for health care coverage for retirees not eligible for Medicare will be limited to the amount contributed for the lowest cost medical portion of the Medicare Supplemental or Medicare Advantage plans provided to Retirees pursuant to Section 2.B (5) plus the Employer's cost of prescription drug coverage provided to eligible employees and retirees pursuant to this section. The Retiree shall pay any premium contribution that exceeds the amount contributed by the Employer through automatic deduction from their monthly pension check.

2. Employees who participate in the high-deductible health coverage plan at the time of retirement and who are eligible to deposit monies into an HSA as defined by federal regulations shall receive an annual contribution to the Retiree's HSA equal to fifty percent (50%) of the applicable contribution amount provided to active Employees pursuant to Section 1(e) of this Article.

3. The City shall not provide retiree health care coverage for the Retiree if the Retiree is eligible to receive paid health coverage through another Employer or former Employer. As a condition of continued retiree health care coverage under this section, the City may require that a Retiree file an affidavit each year or upon request attesting that the Retiree is

eligible for no other Employer-paid health coverage.

4. The City shall not provide retiree health care coverage for the Retiree's spouse if the Retiree's spouse is eligible to receive paid health coverage through an Employer or former Employer of the Retiree's spouse. As a condition of continued spousal health care coverage under this section, the City may require that a Retiree file an affidavit each year or upon request attesting that the spouse is eligible for no other Employer-paid health coverage.

5. A City of Flint Retiree who becomes eligible for Medicare due to age, disability, or end stage renal disease will be covered by a Medicare Supplemental plan (or Medicare Advantage plan) at the Employer's expense, subject to the contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, and the retiree must enroll in Part A and Part B and pay for Medicare Part B. The eligible spouse or dependent child of a City of Flint Retiree who becomes eligible for Medicare due to age, disability, or end stage renal disease will be covered by a Medicare Supplemental plan (or Medicare Advantage plan) at the Employer's expense, subject to the contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, but the spouse or dependent child must enroll in Part A and Part B and pay for Medicare Part B. If PA 152 of 2011 is repealed, the Employer shall pay 80% of the annual premium.

Section 3. Termination of Benefits.

- a. Except as otherwise provided herein, health coverage terminates on the last day of the premium month in which the Employee is terminated or laid off or otherwise becomes ineligible for health coverage. Health coverage terminates on the last day of the premium month in which the Retiree becomes ineligible for health coverage. Health coverage for a dependent Spouse is terminated on the date on which they are no longer eligible (i.e., on the date of divorce, or upon the death of the Employee or Retiree). Health coverage for a dependent child is terminated on the date the child turns 26. Health coverage for dependents will be terminated in the event an Employee or Retiree fails to provide the City with proof of dependent eligibility.
- b. Health coverage shall be continued during any leave for which the Employee receives full pay from the Employer. Employees on leave of absence with reduced hours and pay are not entitled to continued health coverage paid by the Employer except where Employee may be entitled to coverage by virtue of coverage requirements under PPACA or the Family Medical Leave Act (FMLA) as administered by the Employer. Employees on leave of absence without pay or on layoff are not entitled to continued health coverage paid by the Employer but may be eligible for continuation coverage as provided by the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).
- c. Health Coverage will be continued while an employee is on an authorized disability leave as provided in Article 15, Section 6, if the employee is otherwise eligible. The Employee shall be obligated to pay his or her premium share, if any,

within 14 days of established due date or insurance coverage will be cancelled.

Section 4. 125 Plan

At its option, the Employer may offer a Section 125 Plan. All regular full time Employees (excluding temporary Employees) shall be eligible to participate in such a plan, including premium only for pre-tax Employee contributions and health care flexible spending accounts, as amended and restated in accordance with federal law and as defined and limited by the Employer's plan design. Participation by Employees is voluntary.

ARTICLE 40 OPTICAL BENEFITS

Optical coverage shall be provided at the level and by the carrier (including self insurance) as determined by the Employer at the Employee's option. The Employee pays 50% of premium cost through payroll deduction.

If an Employee does not have sufficient funds in a paycheck, the Employee shall be obligated to pay his or her premium share within 14 days of established due date or insurance coverage will be cancelled.

Optical Coverage will be continued while an employee is on an authorized disability leave as provided in Article 15, Section 6 if the employee is otherwise eligible. The Employee shall be obligated to pay his or her premium share, within 14 days of established due date or insurance coverage will be cancelled.

ARTICLE 41 UNEMPLOYMENT COMPENSATION

Eligibility for and payment of unemployment compensation benefits for Employees shall be in accordance with the Michigan Unemployment Security Act, Public Act 1 of 1936 as amended.

ARTICLE 42 <u>RETIREMENT BENEFITS</u>

The Municipal Employees' Retirement System (MERS) shall administer the pension system for all current retirees and all future retirees. The MERS Plan Document, policies and procedures of MERS shall control the administration of all employee pensions whether Defined Benefit Defined Contribution or Hybrid Plan, including investments and payments, except as otherwise provided below.

Employees in this division will be credited with one month of service credit for each month worked, provided however, that the employee works a minimum of 80 hours in that month. Hours worked includes those hours for which the employee is fully compensated, such as paid time off, vacation, or sick leave.

Defined Benefit Plan

The Defined Benefit Plan is for all employees hired prior to July 1, 2013. The provisions in this section apply to the administration of the Defined Benefit Plan only.

Employees in this division may purchase up to 5 years (60 months) of generic service credit. Purchased service counts towards retirement eligibility and must be paid in full at the time of approval.

Notwithstanding anything to the contrary as may contain herein, employees hired prior to July 1, 2013 shall have the portion of their pension earned for credited service time prior to May 1, 2012, calculated in accordance with the provisions of the parties' expired collective bargaining agreement which has a term of February 28, 2011 through June 30, 2014. Effective May 1, 2012, the multiplier for these employees shall be 1.50% for all credited service time earned after that date.

Final Average Compensation (FAC) will be computed using the average of the highest consecutive 3 year (36 month) period of earnings from the member's entire work history as reported to MERS by the Municipality. For the pension calculation after May 1, 2012, overtime will not be included in FAC. (For example: FAC years 2006 + 2007 + 2008 divided by 3 = FAC.)

The employee annual contribution is 9.5% on all wages earned. Effective the first pay period following the effective date of the 2014 contract, the employee annual contribution is 9.5% on all base wages earned.

Employees hired prior to September 26, 1984 are eligible to retire and to receive a pension benefit calculated in accordance with this article if they have accumulated 300 months (25 years) of service credits. Members hired prior to September 26, 1984 who leave the employment of the City with 120 months (10 years) of service when employment terminated will receive their retirement benefit once they would have had 25 years of service.

Employees hired prior to June 30, 1997 who have accumulated 120 months (10 years) of service credits in accordance with this section, and who have reached the age of 55 years are eligible to

retire and to receive a pension benefit calculated in accordance with this article.

Employees hired prior to June 30, 1997 who leave the employment of the City with 120 months (10 years) of accumulated service credits, but who have not attained the age of 55, are eligible to receive a pension benefit calculated in accordance with this article, once they attain the age of 55.

Employees hired after July 1, 1997 who have accumulated 120 months (10 years) of service credits in accordance with this section, and who have reached the age of 59 years, or if they have accumulated 360 months (30 years) of service credits and have obtained the age of 55 are eligible to retire and to receive a pension benefit calculated in accordance with this article.

Employees hired after July 1, 1997 who leave the employment of the City with 120 months (10 years) of accumulated service credits, but who have not attained the age of 59, are eligible to receive a pension benefit calculated in accordance with this article, once they attain the age of 59.

Duty related disability benefits are subject to MERS processes and approval with the disability being the natural and proximate result of on-the-job injury. There are no vesting requirements. Benefits will be paid if the member is determined to be disabled under MERS' definition. The benefit will be the greater of the result of the applicable defined benefit formula or 15% of the FAC. The pension benefit will be recalculated by granting additional service credit at age 60 or if the Municipality notifies MERS or MERS is otherwise informed that the state workers' compensation payments have ceased.

Non-Duty related disability benefits are subject to MERS processes and approval. The member must have 10 years of service in order to qualify. Benefits will be paid if the member is determined to be disabled under MERS' definition. The benefit will be computed as the result of the defined benefit formula without regards to a minimum. For individuals who retired prior to joining MERS, their benefits are not offset by income earned from a future job. Individuals who retire after joining will be subject to the MERS income limitations.

Duty related death benefit has no vesting requirements. The surviving spouse will receive the greater of the result of the defined benefit formula or 25% of the FAC. If the member dies with no spouse, any children would equally share not less than 25% of the member's straight life benefit until 21 or married. A survivor beneficiary would receive a portion of a vested member's straight life benefit.

Non-Duty related death benefits are payable should death occur to an active member. The member must have 20 years of service or be age 55 with a minimum of 10 years of service in order to qualify. The spousal benefit will be 85% of the result of the defined benefit formula or the 100% Joint and Survivor benefit, whichever is higher. If a survivor beneficiary is named, he/she would receive a portion of the straight life benefit. If the member dies with no spouse or survivor beneficiary, any children would equally share 50% of the member's straight life benefit until 21 or married.

<u>Hybrid Plan</u>

Employees hired on or after July 1, 2013 shall be provided with the MERS hybrid pension plan (which includes a component of a defined benefit and defined contribution) with a 1.0% multiplier.

Final Average Compensation (FAC) will be computed using the average of the highest consecutive 3 year (36 month) period of earnings from the member's entire work history as reported to MERS by the Municipality.

Employees who have accumulated 72 months (6 years) of service credits in accordance with this section, and who have reached the age of 60 years, are eligible to retire and to receive a pension benefit calculated in accordance with this article.

Employees who leave the employment of the City with 72 months (6 years) of accumulated service credits, but who have not attained the age of 60, are eligible to receive a pension benefit calculated in accordance with this article, once they attain the age of 60.

Participants may make a one time, irrevocable election to contribute up to 5% of all earnings in increments of 1% to the defined contribution component of the Hybrid Plan. The employer will match the employee's contribution up to 5% not to exceed the 10% overall Hybrid Plan employer contribution cap. Employees shall be 100% vested at all times on their own contributions. They will vest on the employer contributions according to the following schedule: After 1 year of service, 20% vested; 2 years, 40% vested; 3 years, 60% vested; 4 years, 80% vested; 5 years, 100% vested.

ARTICLE 43 RESIDENCY

All employees shall, as a condition of their continued employment, maintain residence within 25 miles of the nearest boundary of the City of Flint. This will not apply to employees hired prior to June 30, 1992.

ARTICLE 44 CHANGE OF ADDRESS AND TELEPHONE NUMBER

Section 1. Change of Address.

An employee changing his place of permanent residence shall within seven (7) calendar days make such change known to his immediate supervisor and to the Human Resources/Labor Relations Department on a form provided by the City for such purposes. The employee's address as it appears on the City's records shall be conclusive when used in connection with the layoffs, recall, or other notices to employees.

Section 2. Telephone Numbers.

All employees shall be required to give their home phone number, cell phone number, and/or email address to their department and to the Human Resources/Labor Relations Department. An employee changing his phone number shall make such change known within seven (7) calendar days to his immediate supervisor and to the Human Resources/Labor Relations Department, on a form provided by the City for such purposes. Such phone numbers shall be held in strict confidence and will not be given out to anyone except the City Administrators without the permission of the employee. The employee's phone number as it appears on the City's records shall be conclusive when used in connection with layoffs, recalls, or other notices to employees.

ARTICLE 45 OUTSIDE EMPLOYMENT

Employees shall comply with all applicable Departmental rules and regulations as well as applicable laws.

Any outside employment undertaken shall in no way deter an individual from satisfactorily performing his/her duties as a City employee. Employees shall notify the Department Head and the Human Resources/Labor Relations Department in writing prior to undertaking any outside employment to ensure there is no conflict of interest.

Employment prior to the effective date of this agreement must be disclosed within thirty (30) calendar days of the effective date of this agreement. Failure to disclose any employment may result in discipline up to and including discharge.

ARTICLE 46 MANDATORY DAYS OFF/VOLUNTARY DAYS OFF

All bargaining unit Employees, except for those Employees working in continuous operations, shall be scheduled a minimum of three (3) mandatory days off without pay (MDOs) during each year of this Agreement beginning August 1, 2014. MDOs will be scheduled in the Employer's discretion. Where feasible, the Employer will schedule MDOs in full work day increments.

Bargaining unit Employees may also request, in writing, to receive up to two (2) voluntary full days off (VDO) during each year of this agreement staring August 1, 2014, without pay, subject to their department head of designees approval. VDO days will not be approved if such days off result in overtime to cover the day requested. Scheduled PTO days will take precedent over requested VDO days.

Nothing in this Article restricts or limits the Employer's right to determine work hours, work days, and work schedules as provided in this Agreement.

ARTICLE 47 SEPARABILITY AND SAVINGS CLAUSE/ZIPPER CLAUSE

If any Article, Section, or Appendix of this Agreement shall be invalid by operation of law or held invalid by any tribunal or court of competent jurisdiction, or if compliance with any Article, Section, or Appendix shall be restrained by any such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such Article, Section, or Appendix to persons or circumstances other than those which it is invalid, or has been held invalid or compliance with has been restrained, shall not be affected thereby.

In the event that any provision of this Agreement is held invalid, as set forth above, the parties shall enter into negotiations for the purpose of arriving at a mutually satisfactory replacement for the provision held invalid.

Any provision of any prior agreement, letter of understanding, memorandum of understanding, etc. not contained in this Agreement, shall be considered null and void with no further force or effect.

ARTICLE 48 MAINTENANCE OF STANDARDS

This Agreement, and any subsequent modifications thereof by the Employer, and any supplements thereto, shall be in effect until such time as they are further modified by a successor collectively bargained agreement.

ARTICLE 49 NO STRIKE CLAUSE

Section 1. No Strike.

It is the intent of the parties of this Agreement that the grievance procedure herein shall serve as a means for the peaceable settlement of all disputes that may arise between them concerning the terms of this Agreement. Recognizing this fact, the Union agrees that during the life of this Agreement, the Union shall not cause nor shall any member of the Union take part in any strike or refusal to work. For purposes of this Agreement the term "strike" shall mean any concerted activity resulting in a failure to report for duty, willful absence from a position or a stoppage or abstinence in whole or in part from the full and proper performance of work duties.

Section 2. Affirmative Action.

The Union agrees that it will take prompt affirmative action to prevent or stop any strike or refusal to work of any kind on the part of its members by notifying the employees that it disavows these acts.

Section 3. No Strike

During the life of this Agreement, the Union shall not cause its members, nor shall any member of the Union engage in any strike because of a labor dispute between the City and any other labor organization.

Section 4. No Lock-Out.

The City agrees that during the life of this Agreement there will be no lock-out.

ARTICLE 50 DURATION OF AGREEMENT

This Agreement shall be effective for the period $\underline{7-l6-l4}$ through June 30, 2016 and shall continue thereafter for successive periods of one (1) year, unless either party shall at least thirty (30) days prior to June 30, 2016 serve written notice on the other party of a desire to terminate, modify, alter, renegotiate, change or amend this Agreement.

An Emergency Manager appointed under the Public Act 436 of 2012 may reject, modify, or terminate this agreement as provided in the Act.

IN WITNESSS THREROF, the parties by their duly authorized representatives, have executed this Agreement on the date herein written.

Dated at Flint, Michigan, this <u>29</u> day of <u>July</u>, 2014.

FOR THE UNION uperlevel

FOR THE CITY:

FOR 68TH DISTRIC 8/1/2014

APPENDIX A COMPENSATION SCHEDULE <u>WAGE SCALES</u>

The currently applicable wage scales shall continue through the term of this Agreement.

2014 – 2016 LOCAL 1799 CONTRACTCLARIFICATION OF ARTICLE 39 – HOSPITALIZATION INSURANCE 1

ARTICLE 39

HOSPITALIZATION INSURANCE

Section 1. Employee Health Insurance.

The Employer agrees to provide full-time Employees and their eligible spouses and dependents health coverage subject to the terms below, subject to modification as may be required by the Patient Protection and Affordable Care Act ("PPACA") as amended beginning in 2014.

- a. The City shall not provide health care coverage for the Employee's spouse if the spouse is eligible to receive health coverage through an Employer or former Employer of the spouse. As a condition of continued spousal health care coverage under this section, the City may require that the Employee file an affidavit each year or upon request attesting that the spouse is eligible for no other Employer-paid health coverage.
- b. The Employer will offer eligible Employees the following health coverage plans:
 - BCBSM Community Blue PPO Plan CB 12 PPO with \$1,000/\$2,000 deductible and \$10, \$40, \$80 (30 day supply) prescription drug coverage;
 - (ii) Health Plus Plan DVDF and \$20, \$40, \$60 (30 day supply) prescription drug coverage;
 - (iii) McLaren Health Plan C6 and \$10, \$25, \$50 (30 day supply) prescription drug coverage

The Employer may offer a high deductible plan in conjunction with a health savings account (HSA), to be offered in a special open enrollment not subject to subsection (c) below.

Employees may change their coverage elections during an open enrollment scheduled by the Employer. Plan coverage will be subject to the coverage terms and regulations of each carrier.

- c. The Employer may, at its discretion, amend the health coverage plans offered, add new health coverage plans, or remove health coverage plans. The Employer may change the open enrollment periods for existing health coverage plans, but not more often than twice annually.
- d. The Employer reserves the right to change or discontinue the existing health insurance benefit program in response to the Patient Protection and Affordable Care

Act ("PPACA"), as amended. This includes the right to respond to regulations issued under the PPACA or judicial interpretations of the PPACA. The Employer reserves the right to change or discontinue the existing health insurance benefit program in response to changes made in Medicare.

The City's contribution for an Employee's health coverage, and to the health e. savings account (HSA), if applicable, is limited by the Michigan Publicly Funded Health Insurance Contribution Act, 2011 PA 152, to a maximum of defined amounts for single, double or family coverage contribution limits provided in Section 3 of the Michigan Publicly Funded Health Insurance Contribution Act, 2011 PA 152, as adjusted by the State Treasurer for each subsequent coverage year, or (ii) the aggregate costs based on the illustrative rates for the elected health coverage, plus contributions to the Employee's HSA, if applicable; or in the alternative, to a maximum of 80% of the annual premium amount for single, double, or family coverage. Pursuant to provisions of the state law, the Employer will select its method of setting its method and amount of the Employer's contribution on an annual basis. The Employer will annually inform its Employees of its decision and the amount of the Employer's contribution prior to open enrollment for the upcoming plan year. The Employee will pay any premium contributions that exceed the amount contributed by the Employer through payroll deduction. Contributions to the HSA will be provided in accordance with HSA regulations. If an Employee does not have sufficient funds in a paycheck, the Employee shall be obligated to pay his or her premium share within 14 days of established due date or insurance coverage will be cancelled. If PA 152 of 2011 is repealed, the Employer shall pay 80% of the annual premium.

Section 2. Future Retiree Health Coverage.

A. Current Employees, New Employees, Deferred Retirements.

1. Full-time Employees hired on or after April 25, 2012, are not eligible for Employerpaid retiree health care coverage. Instead, the Employer shall establish a Retiree Medical Savings Account (RMSA) or other IRS-qualifying savings plan for each affected Employee. The accounts may be used by the Employee, their spouse, or their dependents to offset the cost of healthcare after the Employee retires or separates from service. MERS shall administer the RMSA program as described herein. The MERS Plan document, policies and procedures of MERS shall control the administration of the program.

2. For all full-time Employees hired on or after April 25, 2012, the Employer shall contribute to the Employee's RMSA \$57.70 per pay period for time worked for which the Employee has more than 40 hours of straight time pay, beginning with the date of hire. Effective the first pay period after January 1, 2014 Employees shall make a pre-tax contribution to the Employee's RMSA (through payroll deduction) of \$23.08 per pay period for time worked for which the Employee has more than 40 hours of straight time pay. Additionally, an Employee may contribute additional amounts on a post-tax basis through payroll deduction.

3. 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

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

contributions and investment earnings according to the following schedule:

4. Employee and Employee contributions to an Employee's RMSA shall cease at the time of the Employee's separation from City employment (including retirement), or as otherwise required by law. The Employee may use the RMSA for any purpose consistent with federal law and regulations.

5. An Employee who elects a deferred retirement on or after April 25, 2012 is not eligible for the retiree health care coverage provided by this section.

B. Employees Vested for Regular Retirement. On or Before April 25, 2012

1. An Employee whose rights to a non-deferred defined benefit pension vested by virtue of the Employee's age and service on or before April 25, 2012, <u>that retires between April 25, 2012</u> and July 31, 2014, may, upon retirement, elect health care benefits for the Employee, the Employee's spouse, and the Employee's dependents in existence at the time of retirement, on the same terms (including required contributions to premiums) and with the same benefit levels as offered to current regular Employees, until the Retiree becomes eligible for Medicare due to age, disability, or end stage renal disease.

<u>However, effective August 1, 2014, Employees vested by virtue of age and service that retire on</u> or after August 1, 2014 are eligible for healthcare benefits going forward in existence for active employees but the Employers contribution for health care coverage for such retirees not eligible for Medicare will be limited to the amount contributed for the lowest cost medical portion of the Medicare Supplemental or Medicare Advantage plans provided to Retirees pursuant to Section 2.B (5) plus the Employer's cost of prescription drug coverage provided to eligible employees and retirees pursuant to this section. The Retiree shall pay any premium contribution that exceeds the amount contributed by the Employer through automatic deduction from their monthly pension check.

2. Employees who participate in the high-deductible health coverage plan at the time of retirement and who are eligible to deposit monies into an HSA as defined by federal regulations shall receive an annual contribution to the Retiree's HSA equal to fifty percent (50%) of the

applicable contribution amount provided to active Employees pursuant to Section 1(e) of this Article.

3. The City shall not provide retiree health care coverage for the Retiree if the Retiree is eligible to receive paid health coverage through another Employer or former Employer. As a condition of continued retiree health care coverage under this section, the City may require that a Retiree file an affidavit each year or upon request attesting that the Retiree is eligible for no other Employer-paid health coverage.

4. The City shall not provide retiree health care coverage for the Retiree's spouse if the Retiree's spouse is eligible to receive paid health coverage through an Employer or former Employer of the Retiree's spouse. As a condition of continued spousal health care coverage under this section, the City may require that a Retiree file an affidavit each year or upon request attesting that the spouse is eligible for no other Employer-paid health coverage.

5. A City of Flint Retiree who becomes eligible for Medicare due to age, disability, or end stage renal disease will be covered by a Medicare Supplemental plan (or Medicare Advantage plan) at the Employer's expense, subject to the contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, and the retiree must enroll in Part A and Part B and pay for Medicare Part B. The eligible spouse or dependent child of a City of Flint Retiree who becomes eligible for Medicare due to age, disability, or end stage renal disease will be covered by a Medicare Supplemental plan (or Medicare Advantage plan) at the Employer's expense, subject to the contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, but the spouse or dependent child must enroll in Part A and Part B and pay for Medicare Part B. If PA 152 of 2011 is repealed, the Employer shall pay 80% of the annual premium.

C. Employees Not Vested for Regular Retirement On or Before April 25, 2012

1. An Employee whose rights to a non-deferred defined benefit pension do not vest on or before April 25, 2012, that retire between April 25, 2012 and July 31, 2014, may, upon retirement, elect health care benefits for the Employee only on the same terms (including required contributions to premiums) and with the same benefit levels as offered to current Regular full-time Employees, until the Employee attains age sixty-five (65) Retiree becomes eligible for Medicare due to age, disability, or end stage renal disease.

However, effective August 1, 2014, Employees not vested by virtue of age and service that retire on or after August 1, 2014 are eligible for healthcare benefits going forward in existence for active employees but the Employers contribution for health care coverage for such retirees not eligible for Medicare will be limited to the amount contributed for the lowest cost medical portion of the Medicare Supplemental or Medicare Advantage plans provided to Retirees pursuant to Section 2.C. (4) plus the Employer's cost of prescription drug coverage provided to eligible employees and retirees pursuant to this section. The Retiree shall pay any premium contribution that exceeds the amount contributed by the Employer through automatic deduction from their monthly pension check.

2. Employees who participate in the high-deductible health coverage plan at the time of retirement and who are eligible to deposit monies into an HSA as defined by federal regulations shall receive an annual contribution to the Retiree's HSA equal to fifty percent (50%) of the

applicable contribution amount provided to active Employees pursuant to Section 1(e) of this Article.

3. The City shall not provide retiree health care coverage for the Retiree if the Retiree is eligible to receive paid health coverage through another Employer or former Employer. As a condition of continued retiree health care coverage under this section, the City may require that a Retiree file an affidavit each year or upon request attesting that the Retiree is eligible for no other Employer-paid health coverage.

4. A City of Flint Retiree who becomes eligible for Medicare due to age, disability, or end stage renal disease will be covered by a Medicare Supplemental plan (or Medicare Advantage plan) at the Employer's expense, subject to the contribution limits provided in Section 3 of the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, and the retiree must enroll in Part A and Part B and pay for Medicare Part B. If PA 152 of 2011 is repealed, the Employer shall pay 80% of the annual premium.

Section 3. Termination of Benefits.

- a. Except as otherwise provided herein, health coverage terminates on the last day of the premium month in which the Employee is terminated or laid off or otherwise becomes ineligible for health coverage. Health coverage terminates on the last day of the premium month in which the Retiree becomes ineligible for health coverage. Health coverage for a dependent Spouse is terminated on the date on which they are no longer eligible (i.e., on the date of divorce, or upon the death of the Employee or Retiree). Health coverage for a dependent child is terminated on the date the child turns 26. Health coverage for dependents will be terminated in the event an Employee or Retiree fails to provide the City with proof of dependent eligibility.
- b. Health coverage shall be continued during any leave for which the Employee receives full pay from the Employer. Employees on leave of absence with reduced hours and pay are not entitled to continued health coverage paid by the Employer except where Employee may be entitled to coverage by virtue of coverage requirements under PPACA or the Family Medical Leave Act (FMLA) as administered by the Employer. Employees on leave of absence without pay or on layoff are not entitled to continued health coverage paid by the Employer but may be eligible for continuation coverage as provided by the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).
- c. Health Coverage will be continued while an employee is on an authorized disability leave as provided in Article 15, Section 6, if the employee is otherwise eligible. The Employee shall be obligated to pay his or her premium share, if any, within 14 days of established due date or insurance coverage will be cancelled.

Section 4. 125 Plan

At its option, the Employer may offer a Section 125 Plan. All regular full time Employees (excluding temporary Employees) shall be eligible to participate in such a plan, including premium only for pre-tax Employee contributions and health care flexible spending accounts, as amended

and restated in accordance with federal law and as defined and limited by the Employer's plan design. Participation by Employees is voluntary.

The parties by signing hereby agree to its clarification.

wis

City of Flint

AFSCME Local 1799

Date

AFSCME Council 25

Date

8-4-14 Date