EMERGENCY MANAGER
CITY OF FLINT
GENESEE COUNTY MICHIGAN

ORDER No. 26

AFSCME LOCAL 1600 ("LOCAL 1600")
CONTRACT PROVISION MODIFICATION/TERMINATION

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

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

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

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

Public Act 4 empowers the Emergency Manager to issue the orders the Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. **Section 19(1)** provides that an Emergency Manager may take on one or more additional actions with respect to a local government in receivership: **(g)** Make, approve or disapprove any appropriation, contract, expenditure…"; **(k)** After meeting and conferring with the appropriate bargaining representative and, if in the emergency manager's sole discretion and judgment, a prompt and satisfactory resolution is unlikely

to be obtained, reject, modify, or terminate 1 or more terms and conditions of an existing collective bargaining agreement. The rejection, modification, or termination of 1 or more terms and conditions of an existing collective bargaining agreement under this subdivision is a legitimate exercise of the state's sovereign powers if the emergency manager and the state treasurer determine that all of the following conditions are satisfied...; **(l)** Act as sole agent of the local government in collective bargaining with employees or representatives and approve any contract or agreement; **(ee)** Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities...; and **19(2)** ...the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the Emergency Manager.

As part of our plan to reduce costs, Attorney Kendall Williams and other members of my team have met with AFSCME Local 1600 in an attempt to meet and confer over our proposed concessions. My team met with the executive committee of AFSCME Local 1600 and its attorney on March 7, 2012, April 11, 2012, April 12, 2012, April 13, 2012, April 16, 2012 and April 17, 2012 to confer over our proposed concessions. AFSCME Local 1600 has refused to agree to any of our proposed concessions.

On April 23, 2012, I requested that the State Treasurer concur in my determination under Section 19(k) of the Local Government and School District Fiscal Accountability Act, Public Act 4 of 2011 (Act) to allow the modification of certain sections of the Collective Bargaining Agreement with the Local 1600, as discussed below.

As stated in the April 23, 2012 correspondence to the State Treasurer, in my sole discretion and judgment, and after conferring with the AFSCME Local 1600 and its representatives, a prompt and satisfactory resolution of outstanding issues is unlikely to be obtained. Therefore, I determined that the four conditions of Section 19(k) of the Act had been satisfied.

On April 25, 2012, the State Treasurer concurred with my determination and made his separate determination (see attached) that the four conditions of Section 19(k) of the Act had been satisfied.

It is hereby ordered:

By operation of law, as provided in Section 19(k) of the Act, pursuant to the determinations made by me and the State Treasurer, certain sections of the Collective Bargaining Agreement with the City and AFSCME Local 1600 have been modified or terminated, as set forth in the attached modified collective bargaining agreement.

The Human Resources Director shall immediately implement the contract changes set forth above and incorporate those into the collective bargaining agreement between the City of Flint and AFSCME Local 1600.

This Order shall have immediate effect.

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

Dated: April 25, 2012

By: Michael K. Brown

Michael K. Brown
Emergency Manager
City of Flint

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

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CITY OF FLINT
OFFICE OF EMERGENCY MANAGER
MICHAEL K. BROWN

April 23, 2012

Honorable Andrew Dillon, Treasurer
State of Michigan
Michigan Department of Treasury
Lansing, MI 48922

Re: City of Flint 19(1)(k) Request Related to Local 1600, AFSCME Council 25

Dear Treasurer Dillon:

During my tenure as Emergency Manager for the City of Flint, I have taken steps to reduce City-wide costs. I recognize that most of the City's expenditures are personnel costs, and without significant reductions in personnel costs the financial stability of the City cannot be restored.

As part of a plan to reduce personnel costs, I directed City staff and external legal counsel to review the collective bargaining agreement ("CBA") with AFSCME Council 25, Local 1600, the City's general "rank and file" bargaining unit. I directed them to identify modifications to the CBA that would yield needed substantial reductions in personnel costs, and to confer with Local 1600 about those modifications. Local 1600 encompassed 348 employees as of February 6, 2012, and had a total gross payroll for the fiscal year ending June 30, 2011 of $17,040,955.The Local 1600CBA expires June 30, 2014.

Attorney Kendall Williams and other members of my team met and conferred with the Local 1600 President and other representatives about our proposed CBA modifications on March 7. To facilitate Local 1600's consideration of the proposed modifications, the City's team provided Local 1600's representatives with written drafts of the proposed modifications on March 29 and April 5, 2012.

The City initially had difficulty scheduling further meetings with Local 1600. The first opportunity for the parties to meet and confer regarding the City's proposed modifications took place on April 11, 2012. Local 1600 submitted a counterproposal on Friday, April 13, 2012, which the City found to be unacceptable. However, the parties continued to confer informally on

April 16, 2012, and met formally on April 17, 2012.The City provided Local 1600 with a proposed Tentative Agreement on April 18, 2012, which is attached in plain text and in a "redline" against the current CBA. Local 1600 has refused to agree to our proposed CBA modifications.

In my capacity as Emergency Manager of the City of Flint, I am seeking to invoke Section 19(1)(k) of the Local Government and School District Fiscal Accountability Act (Act), MCL 141.1519(1)(k), to modify the current collective bargaining agreement as attached in order significantly to reduce costs in both the short and long term.

The proposed modifications are both economic and non-economic in nature. The proposed changes to certain non-economic provisions of the CBA will substantially reduce the administrative burden and costs associated with the administration of the CBA. The City needs flexibility to reduce staff and business operations without facing contractual challenges to such actions under the grievance arbitration provision of the CBA. Hence, the City has proposed modifications to the **Preamble, Article 1,Recognition; Article 3,Definitions;Article 4,Part-Time Employees; Article 5,Temporary & Interim Employee; Article 6,Casual Skilled Laborer (deleted); Article 8,Check-Off/Dues Deductions; Article 10,Grievance And Arbitration Procedure; Article 12,Maintenance Of Conditions; Article 13,Work Rules; Article 14,Successor Parties(deleted);Article 16,Seniority/Service Credit; Article 17,Layoff -Recall; Article 18,Shift/Work Week Selection Procedure; Article 19,Examinations & Personnel Files; Article 20,Veterans Rights and Benefits; Article 21,Military Reserve Leave; Article 22,Leaves For Union Business; Article 23,Educational Leave; Article 24,Maternity Leave; Article 25,Leaves Of Absence Without Pay; Article 27,Sick Leave; Article 28,Neutral Medical Opinions; Article 30,Return To Work -Light Or Full Duty; Article 37,Suspension Of Non-Crucial Services; Article 39,Overtime Distribution; Article 45,Pay Days; Article 48,Pay Level-Reclassification And Reallocation; Article 49,Changes In Rates Of Compensation; Article 50,Wage Inequity Program (deleted); Article 51,Rest And Meal Periods; Article 52,Authorized Payroll Deductions; Article 53,Tuition Reimbursement; Article 55,Employee Safety; Article 56,Insurance Coverage; Article 57,Life Insurance; Article 63,Unemployment Compensation; Article 65,Annual Physical Examinations; Article 67,Commercial Driver Licenses; and Article 69,Re-Opening Provisions.** These modifications involve small, or indefinite, direct immediate cost savings that will nonetheless have a significantly positive impact by simplifying contract administration.

The chief economic modifications to the CBA are summarized below.

Article 9.Union Business. Number of stewards now set at 1:50 ratio (was 1:35). Attendance at conferences now unpaid and subject to reasonable management approval. Union Grievance Committee Chair are no longer full-time, paid position. Union President's work hours circumscribed and reporting responsibility to Personnel Director expressed.

Article 11.Management Rights. Management right to contract, subcontract, classify, use volunteers, set hours of work, work schedules and work rules added .Language required by MCL 423.215(7) (powers of the Emergency Manager under the Act) added.

Article 15.Job Security. This provision placed substantial restrictions on the right of the City to contract out bargaining unit work. The provision is deleted and replaced with

"Subcontracting" article obliging City to provide advance notice of subcontracting, an opportunity to bid and to confer, and notice of City employment opportunities.

Article 26.Annual Leave. Provision governs accrual, use and payout of annual leave benefit time. Payout upon resignation, formerly in Retirement article, moved here. Lower annual leave accruals for Local 1600 employees hired post-2003 and maximums for employees hired after 1978 adopted for all bargaining unit employees. Payout of accrued leave on termination, death and retirement restricted.

Paid Time Off. New article added, applicable to employees hired after effective date of modified agreement. Paid time out benefit, accruing at rate of annual leave for current employees, replaces both annual and sick leave for employees hired after effective date of modified agreement. Accumulated PTO will not be paid out at termination, resignation or retirement.

Article 29.Extended Sick Leave. This provision granted employees who are ill and have exhausted all paid leave time, an unpaid extended sick leave, but with extended sick leave insurance benefits. Provision is deleted.

Article 32.Workers' Compensation. Provision governed status and compensation of employees on workers' compensation. Supplemental payments for employees on leave eliminated. Coverage of life and health insurance ends at six months.

Article 36.Holidays. Provision governing payment of holiday pay premiums now provides that Holidays are observed on State of Michigan observed days. Time and one-half for working on holiday eliminated. Easter Sunday benefit (time and one-half) eliminated.

Article 38.Overtime. Former provision provided for daily overtime, and weekly overtime based on hours paid. New provision requires overtime for work in excess of forty hours in any week. Daily overtime eliminated. Overtime is paid on hours worked only.

Article 40.Call-In Pay; Suspension of Services. Call-in pay minimum reduced from 3 hours at time and one-half to one hour. PTO or unpaid time may be used to cover time not worked due to suspension of services; sick leave may not be so used.

Article 41.Standby. Standby pay minimum reduced from 1.5 hours on weekdays and 2 hours on weekends to one hour per day.

Article 42.Shift Premium. Former provision gave wage enhancement to employees working second and third shifts. Deleted.

Article 43.Week End Differential. Former provision gave wage enhancement to employees working weekends. Deleted

Article 44.Car And Mileage Reimbursement. Provision deleted that required 3 months' notice if employee would be required to provide own car for work or if employee would be required to use City vehicle. Reimbursement for miles on own vehicle at IRS rates.

Article 47.Dual Classifications. This provision governs employees who work in more than one classification where compensation differences exist. Revised provision eliminates half-hour increment requirement for payment of employees working a dual-classification position. Dual classification employees' leaves are now paid at lower rate. Regulations governing promotions and assignments for dual classification positions deleted.

Article 54.Tool Allowance. Provision applies to classification of Truck and Heavy Equipment Mechanic. Tool allowance now paid in January for last calendar year; allowance reduced to $300.

Article 58.Payment In Lieu Of Insurance Coverage. Provision gives employees who decline coverage a payment in lieu of coverage. Payment in lieu now requires Employee to demonstrate other coverage and to waive liability; Employees who have alternative coverage must elect it; spouses and dependents must elect alternative coverage and are ineligible for City-paid health; Employee who has City spouse may not elect payment in lieu. Notation that the billing period for health insurance is *monthly* added.

Article 60.Hospitalization Insurance. Comprehensively revised provision, including new plan choices and terms. Only regular full-time employees are provided health benefits. Employees on workers' compensation leave receive health benefits for up to six months. Retiree health care eliminated for new hires; replacement with HSA Plan with annual employer contribution. "Hard cap" limits in employer responsibility to pay for health insurance implemented. Mandatory employee contribution of 1.5% to Section 115 trust established to assist City in providing retiree health and life insurance coverage retained.

Article 62.Extended Sick Leave Insurance. This provision, which insures employees who are on extended leave due to illness, deleted.

Article 64.Retirement Benefits. Previously, all employees participated in a defined benefit plan with an 8% employee contribution. Revised to decrease defined benefit multiplier to 1.5% prospectively, and to increase employee contribution rate to 12%. "Hybrid Retirement Plan," with defined contribution and defined benefit components, is established for new hires and former defined contribution plan participants. Contribution to defined contribution component of Hybrid plan matched by Employer; Employer contribution to defined benefit component capped at 10%.

Mandatory Days Off (*new* Article 58). Provides that all bargaining unit employees, other than those working in continuous operations, will be scheduled at least three (3) mandatory days off during each year of this Agreement, beginning July 1, 2012. Such days will be scheduled at the City's discretion.

Article 70.Termination. Revised to indicate effectiveness of revised Agreement upon ratification or imposition by Emergency Manager.

Appendix A .Compensation Schedules. Wage scales shall be reduced by 2.5%.

Letter of Understanding: Local 1600 Full-Time Union Representative. This provision, which provides for two full-time bargaining unit representatives paid by the City, is deleted.

Determinations under Section 19(1)(k)

In my discretion and judgment as Emergency Manager, after meeting and conferring with the Union and its representatives, I have determined that I am unlikely to obtain, through agreement, prompt and satisfactory changes to the Local 1600 contract. I also determine that the following conditions of Section 19(1)(k) of the Act have been satisfied to modify the parties' collective bargaining agreement as set forth above:

i. *The financial emergency in the local government has created a circumstance in which it is reasonable and necessary for the state to intercede to serve a significant and legitimate public purpose.*

The City is working to reduce the projected General Fund deficit of $25 million as of June 30, 2012.The proposed changes authorized under Section 19(1)(k) can potentially save the City as much as $3.6million annually or approximately 21.5% of the Local 1600 gross wage beginning with the July 1, 2012 fiscal year. The personnel costs associated with City employees who are members of Local 1600 are one of the largest expenditures of the City. Without the proposed changes to the CBA, the savings cannot be realized and the return of the City to financial stability is unlikely. Therefore, interceding in this matter serves a significant general public purpose addressing the financial emergency in the City of Flint.

ii. *Any plan involving the rejection, modification, or termination of 1 or more terms and conditions of an existing collective bargaining agreement is reasonable and necessary to deal with a broad, generalized economic problem.*

Without changes to the cost of employees the City faces an approximately $25 million difference between revenue and expenses for the fiscal year beginning July 1, 2012. The contract changes are necessary to assist in addressing this deficit.

iii. *Any plan involving the rejection, modification, or termination of 1 or more terms and conditions of an existing collective bargaining agreement is directly related to and designed to address the financial emergency for the benefit of the public as a whole.*

Beginning with the fiscal year ending June 30, 2013, the City expects to save at least $3.6 million per year in direct costs as a result of the proposed modifications.

iv. *Any plan involving the rejection, modification, or termination of 1 or more terms and conditions of an existing collective bargaining agreement is temporary and does not target specific classes of employees.*

The proposed changes are temporary as the proposed contract will terminate June 30, 2014. In addition, the proposed changes do not target specific employees but rather will impact all members of the bargaining unit.

Based on the foregoing, I request your written concurrence with my determination to modify the Union contract pursuant to Section 19(1)(k) of the Act. Time is of the essence. I urge your prompt consideration of this request.

Sincerely,

Michael K. Brown

Michael Brown
Emergency Manager

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, hereinafter referred to as "City" or "Employer" and Local 1600, 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 and in accordance with all applicable provisions of Act 379 of the public Acts of 1965, as amended, the City of Flint does hereby recognize the union as the exclusive representative for all employees of the City of Flint, excluding temporary employees, interim employees, elected officials, appointed officials, confidential employees, administrative employees, executive employees, supervisory 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.

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) Regular Employee: shall mean full time hourly rate bargaining unit workers who at the time of employment and thereafter are regularly scheduled to work a normal work week or are regularly scheduled to work eighty (80) hours per payroll period in a continuous operation, provided, however, a regular employee who exercises his/ her right to bump into a position held by employees in an interim, position shall assume the status of an interim, employee, including the pay rate and applicable benefits of said interim position. Said bump shall not affect any recall rights back to a regular full time position.

(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 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) Interim Employee: shall mean one who, at the time of employment, is employed with the intention that his/her employment will be for a given work period or for a specific project with the expectation of being laid off at the end of the work period or project. Time worked after January 1, 2011 in the former classifications of Temporary Employee, Seasonal Employee, and Casual Skilled Laborer shall count as time worked in the Interim classification.

(e) 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.

(f) Normal Work Week and Shift: A normal work week shall consist of forty (40) work hours in a calendar week. 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.

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

(h) 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 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 2.

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 service credits earned as part-time Employees shall entitle them, and they shall receive full credit for all such service credits in determining future rate increases and fringe benefits as a regular full-time Employee.

ARTICLE 5
INTERIM EMPLOYEE

Section 1.

An Interim Employee certified and appointed to fill a regular position without an interruption of service (as defined herein) shall receive credit for all service credits earned as an Interim Employee toward step advancements in the compensation schedule and eligibility for fringe benefits based upon length of continuous service. Crediting of such time will not cause a retroactive crediting of sick and annual leave time the employee would have accumulated if he had not been an Interim employee.

Section 2.

If an Interim Employee becomes a Regular Employee, that Employee may elect, within 30 days of gaining that status, to purchase time spent as an Interim Employee at actuarial present value.

Section 3 - Compensation and Benefits.

(a) Interim Employees shall receive none of the benefits provided in this Agreement.

(b) Interim Employees will be paid a rate of 80 per cent (80%) of the starting rate for the classification for which they are hired or at a rate to be determined by the Personnel Director, if no classification exists at the time of their hire.

(c) Interim Employees shall accrue service credits at the rate of .1755 for each hour worked and shall be afforded an opportunity to return to interim employment in subsequent years on the basis of service credits earned in prior employment with the City of Flint as an Interim Employee.

ARTICLE 6
AGENCY SHOP

Section 1.

It shall be a continuing condition of employment that all Employees covered by this Agreement shall either maintain membership in the Union by paying the union's dues, or shall pay an agency fee equal to union dues.

Section 2.

Any Employee who has failed to either maintain membership or pay the requisite agency fee shall not be retained in the bargaining unit covered by this Agreement; provided, however, no Employee shall be terminated under this Article unless:

(a) The union has notified him by Certified Letter addressed to his address last known to the union spelling out that he is delinquent in payment of dues or agency fees, specifying the current amount of delinquency, and warning the Employee that unless such amount is tendered within ten (10) calendar days, he will be reported to the City for termination from employment as provided for herein, and,

(b) The Union has furnished the City with written proof that the foregoing procedure has been followed or has supplied the City with a written demand before that Employee will be discharged for failure to conform to the provisions of this Article. The Union will provide to the City, in affidavit form signed by the union Treasurer, a certification that the amount of delinquency does not exceed the union dues or agency fees.

Section 3.

Local 1600, 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 the purpose of complying with any of the provisions of this Article.

ARTICLE 7
CHECK-OFF/DUES DEDUCTIONS

Section 1.

During the life of this Agreement, the Employer will deduct dues and agency fees which have been certified to the Employer by the Treasurer of the Union, provided that at the time of such deduction there is in the possession of the Employer a written authorization, executed by the Employee, in the form and according to the terms of the authorization form heretofore agreed to between the parties.

Section 2.

Previously signed written authorizations shall continue to be effective as to current Employees and as to reinstated Employees. Any future increase in dues or agency fees will not require the Employee to sign a new authorization form.

Section 3.

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

Section 4.

(a) 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.

(b) Local 1600, 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 the purpose of complying with any of the provisions of this Article.

Section 5.

The Employer agrees to deduct from the wages of any employee who is a member of the union P.E.O.P.L.E. (Public Employees Organized to Promote Legislative Equality) deduction as provided for in a written authorization in accordance with the standard form used by the Employer, provided that said form shall be executed by the employee. This deduction may be revoked by the employee at any time by giving written notice to both the payroll department and to the Union.

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

statement.

Section 6.

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.

Section 7.

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.

Section 8.

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.

ARTICLE 8
UNION BUSINESS

Section 1. Union Officers.

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 Labor Relations. The Director of Labor Relations shall be promptly notified in writing of any changes occurring during the terms of office.

Stewards shall be elected or appointed to represent Employees and process grievances as follows: One (1) Steward for each shift in any employer-recognized division or subdivision having less than fifty (50) Employees; one (1) additional Steward for each additional fifty (50) Employees or fraction thereof. The activity of Stewards shall be restricted to their area of employment. However, if an Employee, for good cause, cannot utilize the services of his area steward, he may apply to the chief steward of his area for assistance. The Union reserves the right to appoint a maximum of two (2) Chief Stewards.

The Union President will be granted full time union release to handle union business. The Union President may transmit communications to the Employer or its representatives and consult with the Employer or its representatives during normal work hours on the Employer's premises. The Union President shall be considered a regular City Employee during the Union President's normal work shift, which shall be from 8:00 A.M. to 5:00 P.M., Monday through Friday. The Union President shall report to the Personnel Director, and shall abide by all requirements regarding leaves of absence, annual leave and sick leave under the terms of this Agreement or the Employer's policies and work rules. On demand, the Union President shall provide the Personnel Director with an accounting of his time worked, including those locations of the Employer he visited in the course of his job duties. The Union president shall call and obtain advance authorization from the appropriate supervisor before entering a work area. For the term of this Agreement, the Union President shall be compensated as though s/he were working a normal work week at the Local 1600 Level 39 pay level consistent with his/her seniority.

Section 2. Constitution.

Copies of the Union's current local, council and International Constitutions shall be furnished to the Director of Labor Relations.

Section 3. Attendance at Conferences, Conventions or Seminars.

Employees certified by the union may be granted, subject to the supervisor's approval, 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 annual 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 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 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 and chief stewards shall, upon authorization, be afforded the necessary time to reasonably investigate and process grievances during their regular working hours without loss of time or pay. Such authorization shall not be unreasonably withheld. 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.

Section 6. Union Bulletin Boards.

The Employer agrees to furnish and maintain suitable bulletin boards in mutually agreeable places to be used by the Union.

The Union shall limit its posting of notices and bulletins to such bulletin boards.

ARTICLE 9
GRIEVANCE AND ARBITRATION 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) Grievance Procedure.

Step 1.

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 Employee shall submit it to the division supervisor in writing on the Grievance Form within three (3) work days and the division supervisor shall respond in writing within five (5) work days.

Step 2.

If the grievance has not been satisfactorily resolved at Step 1, it shall be presented in writing, counter-signed by the Local President or his designee, by the union steward or the union Grievance committee to the appropriate department head within five (5) work days after the division supervisor's written response is due. The department head shall respond to the union in writing within five (5) work days of the submission to him. The department head or the union may request a meeting to resolve the grievance. If requested, the meeting shall be held within the time limits of the response due date.

Step 3.

If the grievance has not been satisfactorily resolved at the step 2 level, it shall be appealed by the Union to the Director of Labor Relations in writing within seven (7) work days after the department head's response is due.

The Director of 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 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.
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If there is no accord upon the disposition of the appealed grievance, the Director of 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 of the desire to arbitrate within ten (10) work days from the date the response from the Director of 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.

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.

Step 4.

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.

The arbitrator shall have no power to alter, add to, or subtract from the terms of this agreement and 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.

(c) General Provisions with Regard to the Operation of the Grievance Procedure.

1. The time limits set forth above may only be extended in writing by mutual consent.

2. Grievances shall be submitted within ten (10) work days of the event giving rise to the grievance.

3. 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 complaint shall set forth all the facts necessary to understand the issues involved, and it shall be free from charges or language not germane to the real issue or conducive to subsequent calm deliberation. So far as possible, the Union and the Employer shall avoid publicizing any grievance or complaints founded thereon prior to the final determination of the issue.

4. Failure of the Union to proceed with the grievance to the next following step within the allotted time limits shall be deemed acceptance of the determination made by the City on the grievance.

5. 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.

6. The grievant(s) and witnesses who are Employees of the City shall be relieved of their duties when scheduled to work 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 this provision, if and only if during normal working hours, shall be considered as time worked.

7. An Employee who is allegedly aggrieved shall be entitled to Union representation at the time he is aggrieved.

8. Class Action and Policy Grievance. A matter involving three or more employees and the same question may be submitted by the Chief Steward 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).

9. 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.

10. 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.

ARTICLE 10
MANAGEMENT RIGHTS

Nothing in this Agreement shall be construed to interfere with the City's inherent right to manage and direct all of its operations, activities and working force of Employees, the right to hire, contract or subcontract, use volunteers in providing services, suspend, discipline, discharge for cause, promote, demote, assign, classify, transfer, layoff, recall or relieve Employees from duty and determine the number of Employees, provided that such shall be done for justifiable and legitimate reasons.

The City shall further have the full right to establish policies and procedures to determine the type and scope of services to be furnished and facilities to be operated, to establish hours of work and work schedules, schedules of operations and methods, work rules, procedures and means for providing services. The City shall have the right to introduce new or improved working methods or facilities.

The above rights and responsibilities must be exercised consistent with all terms of this Agreement. The Union shall not be deemed to have waived its right to grieve if it deems the action taken to be improper or to adversely affect the rights of Employees.

An emergency manager appointed under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, is allowed to reject, modify, or terminate this Agreement as provided in the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531.

ARTICLE 11
WORK RULES

The Employer shall have the right to make and enforce reasonable written Work Rules. The Employer shall provide the union and the City Personnel Office 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 before its implementation. 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 12
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 written 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 13
SENIORITY/SERVICE CREDIT

Section 1. Definitions.

(a) City Seniority: For each straight time hour paid from and after the last date of hire, an Employee shall receive .1755 service credits. The total service credits shall determine City Seniority.

(b) Departmental Seniority: Department seniority shall be determined on the basis of service credits earned by an Employee for all straight time hours paid in his current department. For purposes of this Agreement, except as specifically provided otherwise herein, a division shall be considered a department.

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) Classification Seniority: Classification Seniority shall be determined on the basis of service credits earned for all straight time hours paid in the classification following permanent appointment.

Section 2. Computation.

Service credit 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) The first seven (7) service credits in a fiscal year that an Employee is without pay shall be afforded to affected Employees. Further time without pay will not accumulate credit, except as specified above.

(d) An Employee who is promoted out of Local 1600 but within his/her regular promotional series, shall continue to accrue seniority for a maximum period of time equal to his/her seniority earned in Local 1600. Thereafter his/her seniority shall be retained but will not accumulate.

Section 3. Transfer or Promotion out of Local 1600.

An Employee who is transferred or promoted out of Local 1600 but not within his/her regular promotional series shall retain seniority earned in Local 1600 but will not accumulate additional seniority within Local 1600.

Section 4. Conversion of Present Employees.

Credit with 365.04 service credits each year service.
Credit with 30.42 service credits each month service.
Credit with 1.404 service credits each day service.

Section 5. 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.

ARTICLE 14
LAYOFF – RECALL

Section 1. When Layoff May Be Made.

(a) Employees may be laid off in the manner herein provided when there is lack of work or funds, or other justifiable and legitimate reasons when a reduction in personnel is necessary. The determination of job classifications in which layoffs must occur is the responsibility of the Employer. Employees who are to be laid off involuntarily shall be given written notice of layoff a minimum of ten (10) working days prior to the effective date of layoff. Said notice shall not apply to Interim Employees nor to Employees being reduced or transferred.

(b) The Local President and Chief Stewards shall, for the purpose of layoff and bumping only, head the seniority list in their respective classifications during their respective terms of office. They shall not be transferred or bumped out of their classifications and respective areas of jurisdiction so long as there is work in such areas in their classifications which they can perform. These provisions pertaining to superseniority shall not apply to changes made subsequent to the date a notice of layoff is issued.

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

In the event of a layoff, Interim and 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 as defined in the Article entitled Seniority. Layoff of Employees shall be made in reverse order of their employment and recalls shall be made in order of their employment.

When need arises for laying off an Employee in a given classification, a seniority comparison shall be made of all Employees in the classification and directly related classifications in the same pay level, and that Employee with the least seniority shall be laid off.

Provided, however, that if the classification is in a class series of lower pay levels or is directly related to another class series of lower pay levels, and there is in said classification or class series an Employee having less time in the classification than the Employee to be laid off, then the lower classified Employee shall be laid off, but only after he/she has received similar time in classification comparison with other Employees in the class or directly related series. Provided further, however, that if a permanent vacancy exists in the highest classification to which the Employee has bumping rights, the Employee shall be placed in said vacancy. 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 and/or classification when a

vacancy occurs to which said Employee has seniority rights.

If 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.

Ties in classification seniority shall be broken by total City seniority. Determinations as to whether or not there exists a direct relationship between classifications or class series shall be by joint agreement of the City and union bargaining teams. Where said determination cannot be agreed upon, the issue shall be submitted to the grievance arbitrator whose decision shall be final.

An Employee serving in an interim or provisional appointment shall not earn classification seniority for layoff/recall purposes in a classification from which the Employee would have been laid off but for the interim or provisional appointment.

If a regular employee bumps an interim employee, the regular employee shall be paid the applicable pay and benefits of an interim as set forth in Article 5.

Section 4. Recall.

Employees will be recalled in the reverse order of layoff. In accordance with the Article entitled seniority, failure to report to work within seven (7) 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 personnel office to the Employee's address on file in the Personnel office. The Employer may, at its discretion, make an exception to this return to work within seven (7) 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 seven (7) 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 Personnel 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 or related job classification for a period of two (2) years, the length of the Employee's seniority, or until the loss of the employee's seniority pursuant to Article 13, Section 5 ("Loss of 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 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 or related 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.

Section 6. Special Retirement.

If an Employee subject to layoff is within five years of the Employee's normal retirement age, the Employee may elect to take a "special reduced" retirement, with payment of retirement compensation immediately payable at an actuarially determined, reduced rate. The Employee shall pay for the actuarial valuation. An Employee electing a "special reduced" retirement is ineligible for retiree health care benefits until that Employee reaches her or his normal retirement age.

ARTICLE 15
SHIFT/WORK WEEK SELECTION PROCEDURE

Shifts, for shift preference purposes, 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 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. 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 preferences hall 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 ten (10) 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 16
EXAMINATIONS

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

ARTICLE 17
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 18
LEAVES FOR UNION BUSINESS

Section 1.

Employees who are elected or appointed as union representatives serving the Union membership of the City of Flint, shall be granted an unpaid leave of absence for such purpose without accrual of seniority and with no benefits. Applications for such leave shall be in writing, filed with the personnel Director, and shall be approved on an annual basis with application for continuance of said leave to be made in writing to the Personnel Director thirty (30) calendar days prior to the end of the leave period, and with written notice of the termination of said leave to be made to the Personnel Director thirty (30) calendar days in advance of the date of termination. No more than two (2) Employees shall be on such leave at any one time without the Employer's approval, which will not be unreasonably withheld.

Section 2.

Employees granted such leave shall, upon written request, be paid for all accrued annual leave time standing to their credit at the commencement of such leave.

ARTICLE 19
EDUCATIONAL LEAVE

For the purpose of full-time attendance (as defined by the institution) at an educational institution, any full-time regular Employee with one (1) year of City seniority immediately preceding the request for leave, may be granted an educational leave of absence without pay or benefits, up to twenty-six (26) payroll periods.

The Employee shall make a written request for the educational leave twenty (20) days prior to the commencing of the leave to the chief personnel officer. This request shall include the name of the educational institution to be attended, the starting date of attendance (which shall not be more than ten (10) days after the commencement of the leave), date available to return to work, and documentation that the Employee has been admitted to said educational institution.

Within five (5) days of receipt of a proper request by the Chief Personnel officer, the Employee shall be granted the educational leave. An Employee shall not be granted an educational leave more than twice, nor shall the cumulative educational leave time be greater than twenty-six (26) payroll periods. In situations where one or more employee from the same Department and/or Division have each requested the same leave time the Chief Personnel officer shall consider departmental needs and all things being equal the employee with highest seniority will receive leave preference over the lesser seniority employee.

The Employee shall give written notice twenty (20) days prior to the expiration of the leave to the Chief Personnel officer showing proof of attendance at the educational institution and indicating the date the Employee is available to return to work. The date of return shall be within twenty (20) days of the Employee's last full time attendance at the educational institution. Upon receipt of this notice, the Chief Personnel officer shall return the Employee to the first available position in the bargaining unit classification from which the Employee took the leave. If the Employee is offered a position and refuses, the Employee shall have voluntarily quit. If no position is available to the Employee within the first twenty-six (26) payroll periods immediately following the date the Employee is available, the Employee shall have voluntarily quit.

ARTICLE 20
MATERNITY LEAVE

The City of Flint shall follow the applicable provisions of the federal Family and Medical Leave Act and its regulations regarding the leave and reemployment rights of Employees electing to take maternity leave.

ARTICLE 21
LEAVES OF ABSENCE WITHOUT PAY

Upon written request of a permanent employee, leave of absence without pay or benefits for a period not to exceed one year, may be granted upon recommendation of the appointing authority and approval of the chief Personnel Officer. Use of leave of absence for a purpose other than that approved may result in the Employee being terminated. An Employee shall not accept employment elsewhere while on a leave of absence unless approved by the Personnel Director. Acceptance of employment or working for another employer while on a leave of absence shall be grounds for discipline and may result in the Employee being terminated.

Failure on the part of an Employee on leave to report at its expiration shall be regarded as an automatic resignation. The Employee shall give written notice at least twenty (20) days prior to the expiration of the leave of intent to return from said leave, indicating the date the Employee is available to return to work. The Employee will be returned to the position held at the time of the leave, seniority permitting. If seniority does not permit, the Employee will be returned to the same classification or directly related classification, seniority permitting. If seniority still does not permit the Employee to return, the Employee will be placed on the appropriate recall list and shall be treated as a laid off Employee thereafter. Seniority shall be retained but shall not accumulate during a leave of absence without pay.

ARTICLE 22
ANNUAL LEAVE

Annual leave 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 (½) the amount shown in the schedule below. Annual leave shall be based on City seniority as defined in the Article entitled Seniority of this Agreement and shall be accrued on the following basis:

Service Credits (Approximate Years)	Hours Accrued Per Payroll	Maximum Accumulated Hours
Less than 1825 (under 5)	3.1	141
1826 – 3649 (5 thru 9)	4.7	205
3650 (10)	5.0	218
4015 (11)	5.3	231
4380 (12)	5.6	244
4745 (13)	5.9	256
5110 (14)	6.2	269
5475 (15)	6.5	282

Annual leave may be cumulative but not to exceed the maximums set forth above, and any excess shall be forfeited, provided, however, that any excess as provided herein shall not be forfeited in the event the Employee suffers an injury or illness arising out of or in the course of employment which has been determined compensable by the Michigan Workers' Compensation Agency, and because of said illness or injury is unable to utilize accumulated annual leave. Any excess annual leave accumulated and unused due to compensable injury shall be used within six (6) months after return to work, said period may be extended by mutual agreement between the Employee, the appointing authority, and the Personnel Director.

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

Employees shall earn 365 service credits before annual leave may be utilized. Upon completion of this initial term of employment, the Employee shall be credited with annual leave accrued during the preceding twenty-six (26) payroll periods. 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 one (1) year.

Employees requesting annual may be required to make request and receive approval from the division head twenty-four (24) hours prior to the commencement of the leave.

Leave for emergency purposes shall be deducted from the Employee's accrued annual leave. Use of annual leave for emergency purposes shall be authorized by the department head without regard to the twenty-four (24) hour notice. Any time an Employee uses annual leave for emergency purposes without prior notice on more than one (1) occasion within the preceding twelve (12) months, the department head may require evidence that an emergency existed prior to authorizing payment for such leave.

Upon termination of employment, an Employee shall be compensated for his accrued annual leave at one-half (½) the rate of pay received by said Employee at the time the employment is terminated. In the event of the Employee's death, unused accumulated annual leave shall be paid to the beneficiary named by the Employee for retirement purposes.

Any bargaining unit Employee who is eligible for the Annual Leave benefit provided by this Agreement and who retires from the City of Flint as provided in this Agreement, shall be compensated in cash for all accrued, unused annual leave standing to the Employee's credit, up to a maximum of 282 hours.

No sick or annual leave balance will be subject to challenge by an Employee for a period that covers more than twelve (12) months prior to the date of the challenge.

ARTICLE 23
SICK LEAVE

Sick leave benefits shall be available at the straight time hourly rate for the classification occupied at the time sick leave is used. Sick leave benefits shall be earned and accrued by regular Employees as defined herein at the rate of three (3) hours of sick leave for each payroll period that the Employee has at least seventy-two (72) hours of straight time pay. If a regular Employee has forty (40) hours of straight time pay, but less than seventy-two (72) hours of straight time pay in a payroll period, the Employee shall earn and accrue one and one-half (1½) hours of sick leave. Part time Employees who, at the time of employment and thereafter, are regularly scheduled to work a minimum of thirty (30) hours per week shall earn and accrue two and one-quarter (2¼) hours of sick leave for each sixty (60) hours or more of straight time pay in a payroll period.

No sick leave shall be earned or accrue if an Employee has been on sick leave or Workers' Compensation for the entire payroll period. Sick leave earned and credited to the Employee shall accrue on an unlimited basis.

Sick leave shall accrue from the date of employment and shall be credited to the Employee each payroll period. Employees who separate from City employment prior to accumulation of 182 service credits, who have received sick leave pay, shall have deducted from their final paycheck or from their refund of retirement contributions, an amount equal to that previously received for sick leave.

Charges against accrued sick leave and pay allowances for time lost on account of sickness shall be made only for time lost for which the Employee normally would have received pay and during which he normally would have been required to work.

Sick leave 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 sick leave 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 (½) hour after the start of his normal work shift.

Notification to the division head and request for sick leave 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 a sick leave, the Employee shall, prior to the beginning of the leave, file a written request for sick leave with the appropriate division head or his authorized representative.

Any Employee who has exhausted his available sick leave shall have any additional lost

time due to his health charged against and deducted from earned annual leave.

Sick leave 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 sick leave on seven (7) or more occasions within the fiscal year; except that Employees employed in Water Pollution Control Facilities shall be allowed ten (10) sick leave occasions before a certificate may be required.

Any Employee hired before the effective date of this Agreement who retires from the City of Flint as provided in this Agreement shall be compensated in cash for any accumulated unused sick leave days up to 480 hours plus one-half (½) pay for each hour of unused sick leave in excess of 960 hours.

In the event of the Employee's non-suicidal death, unused accumulated sick leave 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.

ARTICLE 24
PAID TIME OFF

Section 1.

Regular Employees who become members of this bargaining unit after the effective date of this Agreement are ineligible for the Annual Leave and Sick Leave benefits provided by this Agreement. Regular Employees who become members of this bargaining unit are eligible instead for the Paid Time Off ("PTO") benefit provided by this Article. Regular Employees who are members of this bargaining unit on the effective date of this Agreement are ineligible for the PTO benefit provided by this Article.

Section 2.

A regular Employee who works at least 72 hours in a pay period accrues PTO at the "full time" rate below for that pay period. An employee who works more than forty (40) but less than seventy-two (72) hours in a pay period accrues PTO at the "part time" rate below for that pay period. Employees do not accrue PTO in excess of the applicable "Maximum Accumulated Hours."

Service Credits (Approximate Years)	"Full Time" PTO Rate	"Part Time" PTO Rate	Maximum Accumulated Hours
Less than 1825 (under 5)	4.6	2.3	141
1826 – 5110 (5 to 14)	6.2	3.1	205
5111 - (15 +)	8.0	4.0	282

Section 2. Scheduled PTO.

Employees must earn 365 service credits before they may schedule PTO.

The Employer will develop vacation schedules on the basis of departmental seniority. Any Employee be required to work all or part of the time that the Employee would have been on scheduled PTO, will receive that scheduled PTO in addition to the compensation received for hours worked during that period.

Employees requesting scheduled PTO must request and receive approval from the Employer twenty-four (24) hours before PTO begins.

Section 3. Unscheduled PTO.

If an employee is absent and advance notice is not given, PTO shall be deducted from the Employee's accumulation. If an Employee uses PTO without prior notice, the Employer may require proof that the Employee could not provide notice.

The Employer 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 (½) hour after the start of his normal work shift.

Section 4. Increments.

PTO shall be taken in increments of at least one (1) hour up to the balance accrued. However, the Employer may by work rule require that PTO be used in larger increments.

Section 5. No Redemption Value; Not Hours Worked.

Employees will not be paid for unused accumulated PTO at termination of employment, resignation, or retirement. PTO does not constitute hours worked for purposes of calculation of overtime.

ARTICLE 25
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 26
RETURN TO WORK - LIGHT OR FULL DUTY

An Employee who is receiving workers' compensation benefits may be examined by the Employer's medical representative, without cost to the Employee, to determine whether he is able to return to work for full or light duty. Light duty, when available, may be assigned by the Employer to an Employee who is not precluded by the nature of his health problem from performing light duty within the department. The Employer shall make the sole determination as to the availability and assignments of light duty. Employees are required to accept light duty assignments.

ARTICLE 27
BEREAVEMENT LEAVE

(a) When death occurs in the Employee's immediate family (defined as spouse, parents, step-parents, children, or 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.

(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 they attend 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 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.

(d) 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.

(e) 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 bereavement leave.

(f) 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 the straight time hours on such scheduled days of work for which they are on bereavement leave.

(g) 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 28
WORKERS' COMPENSATION

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

(a) The City shall provide health and life insurance coverage on the same terms (including required contributions to premiums) and with the same benefit levels as offered to current regular Employees while an Employee is on workers' compensation leave for up to six (6) months.

(b) If an Employee on workers' compensation 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 workers' compensation a continuation of the original period of leave for purposes of application of the six (6) month limitation on supplemental benefits; 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.

(c) At such time as an Employee returns to work from a compensable injury or illness, he shall receive service credits for the period during which workers' compensation was paid.

(d) Whenever an Employee suffers an illness or injury arising out of or during the course of his employment compensable under the Workers' Compensation Act, time lost as a result of such injury shall not be deducted from the Employee's sick or annual leave, provided, however, that the Employee may elect to be paid for all hours of accrued annual leave standing to his credit, which payment will be over and above any workers' compensation he may be entitled to, in which event said time will be deducted from his accrued annual leave.

ARTICLE 29
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 annual leave, 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 30
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/ her 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. Police Department Employees required to appear on a regular day off shall be paid in accordance with the Article entitled Call-In Pay.

ARTICLE 31
COMPENSATION FOR 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 32
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, the Employee 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 annual time.

Section 3. Employees Who Work on a Holiday.

(a) For all hours worked, the Employee shall receive:

(i) Straight-time pay and

(ii) either eight (8) hours of straight time pay or be credited with eight (8) hours of annual leave time or PTO.

Section 4. 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 7. 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.

Section 8. Probationary Employees.

Employees who separate from City employment prior to accumulation of 182 service credits, who have received holiday pay, shall have deducted from their final paycheck or from their refund of retirement contribution, an amount equal to that previously received as holiday pay.

ARTICLE 33
OVERTIME

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 (1½) 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.

ARTICLE 34
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.

ARTICLE 35
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.

(b) If the City's Chief Executive 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 Annual Leave, PTO, or approved unpaid time off to cover time not worked. Employees may not use Sick Leave to cover time not worked.

ARTICLE 36
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 (1) hour pay at his straight time hourly rate of pay for each day of standby duty. Additional benefits do not accrue for standby.

ARTICLE 37
CAR AND MILEAGE REIMBURSEMENT

Employees may be required to furnish their own transportation when required to perform their assigned duties. 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. Provision of Liability Insurance.

Each such Employee shall provide liability insurance of $100,000/$300,000. The employee shall keep on file with his/her department a copy of written documentation from the carrier indicating that the employee's current coverage meets the above minimum and shall notify the Department Head and Risk Management within five (5) working days of any cancellation of coverage.

Section 5. Issuance of Checks.

Mileage reimbursement checks shall be payable on the first Friday following the submission of a mileage record to the Department of Finance, as long as the payables deadline established by the Department of Finance has been met. Car allowance checks shall be payable on the first payday of the month following the month the mileage was driven.

ARTICLE 38
PAY DAYS

The pay days are no later than alternating Fridays and shall include payment of wages earned in the payroll period ending the preceding Saturday. Employees working on their regular shifts on pay day will be paid on the job not later than three (3) hours after the start of their regular shifts. When a holiday falls on a regular pay day, wage payment will be distributed as soon as practicable on the day preceding the holiday. Pay day for night shift Employees and Employees who are on an approved leave will be Thursday afternoon, if available.

Employees are expressly prohibited from cashing paychecks or conducting personal business on City time.

Nothing in this Agreement prohibits the Employer from requiring Employees to receive wages only through direct deposit or payroll debit cards pursuant to Michigan Public Act 323 of 2010, MCL 408.476.

ARTICLE 39
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.

ARTICLE 40
DUAL CLASSIFICATIONS

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 (½) hour at the higher rate.

Section 2. Leaves.

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

ARTICLE 41
PAY LEVEL - RECLASSIFICATION AND REALLOCATION

Section 1. Reclassification Requests.

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

Section 2. Job Study.

The City of Flint Personnel Department will, within ninety (90) days of the submission, perform a job study of the submitted position. Upon completion of the study, the City will determine whether the incumbent is correctly working within their current job description and classification.

(a) If over 50% of the current incumbent's duties are in another, higher classification, then the incumbent will be promoted to that position effective the date of the completed job study. When an Employee is placed in a different pay level by reason of reclassification or reallocation, said Employee's pay rate will change upon placement in the different pay level.

(b) If the City determines that the incumbent is working over 50% of his/her time in his/her current job description, the reclassification request will be denied.

(c) The Union may grieve a denial of a reclassification request.

ARTICLE 42
CHANGES IN RATES OF COMPENSATION

(a) Credit towards 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 concurrent with the change in classification.

ARTICLE 43
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) Meal Periods. 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) Employees working in those continuous operations where unpaid lunch periods are impractical shall be given twenty-five (25) minutes, including travel time, for a meal break.

ARTICLE 44
AUTHORIZED PAYROLL DEDUCTIONS

Section 1.

The Employer may withhold from wages federal, state, or local employment taxes, other deductions expressly permitted by law, and health plan and retirement fund contributions without obtaining the Employee's written consent. During the term of this Agreement, the Employer will withhold union dues and/or agency fees 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 45
TUITION REIMBURSEMENT

(a) 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 may submit in advance of commencing such course or courses a letter of application to the department head for reimbursement of the cost of his tuition.

(b) The letter of application shall list the course or courses to be taken by course title and number along with a brief 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.

(c) The Employer may deny an application for tuition reimbursement if it reasonably determines that the coursework is not job-related.

(d) 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 $500.00 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 period, 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 $10,000.00 during anyone (1) fiscal year. If application for such reimbursement exceeds this maximum limit, the reimbursement shall be made pro-rata among Employees who have successfully completed approved courses.

ARTICLE 46
TOOL ALLOWANCE

In January of each calendar year during this Agreement, the Employer will pay a tool allowance of $300.00 to each Employee in the classification of Truck and Heavy Equipment Mechanic. The Employer will provide power and special tools to Employees in the Truck and Heavy Equipment Mechanic classification in accordance with the Employer's work rules.

ARTICLE 47
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.

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. 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 48
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 49
LIFE INSURANCE

The City shall provide, for the term of this Agreement, a $40,000 group life benefit, and $40,000.00 accidental death and dismemberment insurance for all full-time regular Employees and part-time Employees who, at the time of employment and thereafter, are regularly scheduled to work thirty (30) or more hours per week.

The insurance coverage will commence the first day of the month following accrual of 182 service credits. The coverage shall be discontinued on the day the Employee's services are terminated, i.e., resignation, retirement, discharge, layoff, or leaves of absence without pay.

The Employee may designate a beneficiary by completing the appropriate form provided by the City and in the event no beneficiary is designated, the benefit shall be payable to the Employee's estate.

ARTICLE 50
PAYMENT IN LIEU OF INSURANCE COVERAGE

Section 1. Payment in Lieu of Hospitalization Coverage.

(a) An Employee who is eligible for City-paid hospitalization coverage pursuant to the Article entitled Hospitalization Insurance, and has coverage under another hospitalization plan, may elect in writing on designated forms to decline City-paid hospitalization coverage. An Employee declining coverage must provide proof to the Employer that they are covered by another hospitalization insurance plan and sign a waiver holding the Employer harmless for any liability resulting from declining City-paid hospitalization coverage. An Employee who declines City-paid hospitalization coverage under this section shall be paid $100.00 for each monthly billing period during which the City does not provide hospitalization coverage for the Employee.

(b) An Employee who has coverage under another hospitalization plan and does not decline City-paid hospitalization coverage must inform the City of coverage under the alternate hospitalization insurance plan. This section does not apply in cases where both the Employee and the Employee's spouse are eligible for hospitalization coverage through the City.

Section 2. Spousal/Dependent Coverage.

(a) If an Employee's spouse has coverage under another hospitalization plan, the spouse must elect coverage under the other hospitalization plan. A spouse who has coverage under another hospitalization plan is ineligible for City-paid hospitalization coverage for as long as coverage under another hospitalization plan is available. Coverage for dependents shall be assigned by established coordination of benefit rules.

(b) An Employee who has City-paid hospitalization coverage available through the Employee's spouse or parent is ineligible for payment in lieu of insurance coverage, except for those Employees who receive that benefit on the effective date of this Agreement, who will continue to receive said benefit. The Employee and the Employee's spouse/parent may have only one City-paid hospitalization coverage policy.

Section 3. Payment in Lieu of Dental Coverage.

An Employee who is eligible for City-paid dental coverage pursuant to the Article entitled Dental Insurance, may elect in writing on designated forms to decline City-paid dental coverage. An Employee who declines City-paid dental coverage under this section shall be paid $5.00 for each billing period during which the City does not provide dental coverage for the Employee.

ARTICLE 51
DENTAL INSURANCE

The Employer shall provide regular full time permanent Employees, following the successful completion of the required probationary period for new employees, a dental insurance coverage subject to the terms and conditions provided in the agreement with the carrier.

In general this coverage will provide:

Class I (Basic Dental Services)
100% preventative, diagnostic and emergency palliative
90% remainder of Class I including Radiographs
Class II (Prosthodontic Dental Services) 50%
Class III (Orthodontic Dental Services to age 19) 50%

Class I and II benefits shall not exceed $1000.00 per person per contract year. Class III benefits shall not exceed a lifetime maximum of $1000.00 per person.

ARTICLE 52
HOSPITALIZATION INSURANCE

Section 1. Current Employee Benefits and Coverage.

The Employer agrees to provide Regular full-time Employees and their eligible spouses and dependents health coverage subject to the terms below.

(a) The City shall not provide health care coverage for the Employee's spouse if the Employee's spouse is eligible to receive paid health coverage through an employer or former employer of the Employee's spouse. As a condition of continued spousal health care coverage under this section, the City may require that an employee file a yearly affidavit attesting that the spouse is eligible for no other employer-paid health coverage.

(b) Effective July 1, 2012, 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 with $10/40/80 prescription drug coverage
(ii) Health Plus Plan DVDF with $20/40/60 prescription drug coverage
(iii) McLaren Health Plan C6 with $10/40/80 prescription drug coverage

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

These health coverage plans will include a mandatory mail-order maintenance prescription drug program for bargaining unit members. Employees may change their coverage elections during an open enrollment held before July 1, 2012, and during subsequent annual enrollment periods 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. However, the Employer will not change or remove any health coverage plans before January 1, 2013, in order to allow the Union to form a Health Care Coalition Committee, to include representatives from all represented employee groups and exempt employees, which will have the authority to make a uniform recommendation regarding health coverage alternatives to the City on behalf of all employee groups.

(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 will first consult with the Union regarding any action(s) it may take.

(e) The City's contribution for an Employee's health coverage, and to the HSA, if applicable, shall be the lesser of **(i)** the applicable annual 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 actual annual costs or illustrative rate for the elected health coverage, plus contributions to the Employee's HSA, if applicable. The Employee will pay any excess premium contributions through payroll deduction.

Section 2. Retiree Health Coverage.

(a) New Hires. Employees hired on or after the effective date of this Agreement ("new hire Employee") are ineligible for Employer-paid retiree health care coverage. Instead, the Employer shall establish a Retiree Medical Savings Account (RMSA) or other IRS-qualifying savings plan for each new hire Employee. During the term of this contract, the Employer will contribute $1,500.00 per year to this account. New hire Employees shall make a pre-tax employee withholding of $600.00 per year to the Employee's RMSA. Employees shall be one hundred percent (100%) vested at all times on their own employee contributions and investment earnings. Employees shall be vested on Employer contributions and investment earnings according to the following schedule:

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

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

(b) Deferred Retirement. An Employee who elects a deferred retirement during the term of this Agreement is ineligible for the retiree health care coverage provided by this section.

(c) Vested Regular Retirement for Defined Benefit Plan Members. An Employee whose rights to a non-deferred defined benefit pension vested by virtue of the Employee's age and service on or before the effective date of this Agreement 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 full-time Employees, until the Employee attains age sixty-five (65). Employees who participate in the high-deductible health coverage plan at the time of retirement shall receive an annual contribution to the Employee's HSA equal to fifty percent (50%) of the applicable contribution amount provided to

active employees pursuant to Section 1(e) of this Article.

(i) The City shall not provide retiree health care coverage for the Employee if the Employee 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 a yearly affidavit attesting that the retiree is eligible for no other employer-paid health coverage.

(ii) The City shall not provide retiree health care coverage for the Employee's spouse if the Employee's spouse is eligible to receive paid health coverage through an employer or former employer of the Employee's spouse. As a condition of continued spousal health care coverage under this section, the City may require that a retiree file a yearly affidavit attesting that the spouse is eligible for no other employer-paid health coverage.

(d) Non-vested Regular Retirement for Defined Benefit Plan Members. An Employee whose rights to a non-deferred defined benefit pension do not vest on or before the effective date of this Agreement 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). The City shall not provide retiree health care coverage for the Employee if the Employee 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 a yearly affidavit attesting that the retiree is eligible for no other employer-paid health coverage.

(e) Medicare Supplemental Part B. A City of Flint retiree aged sixty-five (65) or over will be covered by a Medicare supplemental 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, if and only if the retiree enrolls in and pays for Medicare Supplemental Part B. The spouse of a City of Flint retiree aged sixty-five (65) or over will be covered by a Medicare supplemental 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, if and only if the spouse enrolls in and pays for Medicare Supplemental Part B.

(f) Retirement for Current Hybrid Plan Participants. An Employee, other than a new hire Employee, who participates in the Hybrid Retirement Plan, and has reached both age sixty-two (62) and a minimum of fifteen (15) years of service on or before the effective date of this Agreement may, upon retirement, elect health care benefits for the Employee and the Employee's spouse 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).

(i) The City shall not provide retiree health care coverage for the Employee if the Employee 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 a yearly affidavit attesting that the retiree is eligible for no other

employer-paid health coverage.

(ii) The City shall not provide retiree health care coverage for the Employee's spouse if the Employee's spouse is eligible to receive paid health coverage through an employer or former employer of the Employee's spouse. As a condition of continued spousal health care coverage under this section, the City may require that a retiree file a yearly affidavit attesting that the spouse is eligible for no other employer-paid health coverage.

(iii) A defined Hybrid Plan retiree aged sixty-five (65) or over will be covered by a Medicare supplemental 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, if and only if the retiree enrolls in and pays for Medicare Supplemental Part B. The spouse of a City of Flint retiree aged sixty-five (65) or over will be covered by a Medicare supplemental 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, if and only if the spouse enrolls in and pays for Medicare Supplemental Part B.

(g) **Dependent/Spouse Health Coverage.** A City of Flint retiree may purchase health coverage for the retiree's spouse or dependents on the same terms as offered to current Regular full-time Employees, and at the prevailing group rate for the selected plan. The retiree must agree to deduction of premium costs from the retiree's pension payments.

(h) **Section 115 Trust.** The City will establish a Section 115 Trust to provide for health insurance coverage for retirees. The Section 115 Trust will establish a trust to hold monies to invest and use to provide retiree health and life insurance coverage as provided herein.

The Section 115 Trust will be funded by each Employee contributing 1.5% of their pre-tax salary compensation (for straight time hours only) into the Section 115 Trust.

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.

(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 or 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). Employees on a workers' compensation leave of absence shall receive health insurance coverage on the same terms (including required contributions to premiums) and with the same benefit levels as offered to current Regular full-time Employees for up to six (6) months.

(c) All retiree health coverage shall terminate upon death of the retiree; except, that for employees who retired before July 1, 1978 or between June 30, 1996 and the effective date of this Agreement, where a retiree has elected a retirement option that provides for benefits payable

to the retiree's spouse upon the retiree's death, spousal medical insurance shall continue for so long as said spouse continues to receive retirement benefits.

ARTICLE 53
OPTICAL BENEFITS

The Employer shall provide regular full time permanent Employees, following successful completion of the required probationary period for new employees, optical benefits subject to the terms and conditions provided in the agreement with the carrier.

In general, this benefit will provide optical examinations, lenses and frames every 24 months for the Employee and dependents over 18 years of age (dependents who are 18 years of age and under eligible every 12 months); full coverage for necessary contact lenses, $80.00 cosmetic contact lens allowance; with deductibles of $0 for exams and $10.00 for materials; and, set pre-deductible allowances for non-panel providers.

ARTICLE 54
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 55
RETIREMENT BENEFITS

Section 1. Current Employees in Defined Benefit Plan.

(a) Applicability.

The provisions in Section 1 apply only to persons who are Employees at the date this Agreement becomes effective and who participate in the City Defined Benefit Plan.

(b) Multiplier Before Effective Date of this Agreement.

(i) Employees hired on or before June 30, 1997. The frozen benefit shall be calculated upon the effective date of this agreement whereas the multiplier shall be 2.4% for all years of credited service earned prior to July 1, 1997, and 2.5% for all years of service earned between July 1, 1997 and the effective date of this Agreement.

(ii) Employees hired on or after July 1, 1997. The frozen benefit shall be calculated upon the effective date of this agreement whereas the multiplier for the first twenty-five (25) years of credited service shall be 2.4% for credited service earned before July 1, 1998, and 2.5% for credited service earned between July 1, 1998, and the effective date of this Agreement. except that the multiplier for years of credited service after the first twenty-five (25) shall be 1.0%.

(c) Multiplier After Effective Date of this Agreement.

For all years of credited service for Employees after the effective date of this Agreement, the multiplier shall be 1.5%. For Employees hired after June 30, 2007, the multiplier shall be 1.0% for years of credited service after the first twenty-five (25) years.

(d) Employee Contribution Rate.

(i) Employees Hired Before Effective Date of this Agreement. The mandatory Employee contribution rate shall be twelve percent (12%) of all earnings for Employees who participate in the City Defined Benefit Plan.

(ii) Pretax Contributions; IRS Compliance. Qualified contributions to the Defined Benefit Plan are pretax, in accordance with the Internal Revenue Code and its regulations. The Defined Benefit Plan will comply with the Internal Revenue Code.

(e) Deferred Retirement.

Employees hired by the City prior to October 1, 1983, have the option to take a deferred retirement either after fifteen (15) years of service, with the pension payable upon when the employee would have completed twenty-five (25) years of service; or, the employee may take a

deferred retirement after ten (10) years of service, with the pension payable upon the employee attaining age fifty-five (55). Employees hired by the City on or after October 1, 1983, and prior to July 1, 1997, have the option to take a deferred retirement with ten (10) or more years of service, with such pension payable only upon the employee attaining age fifty-five (55). Employees hired by the City on or after July 1, 1997, have the option to take a deferred retirement with ten (10) or more years of service, with such pension payable only upon the employee attaining age fifty-nine (59).

(f) Normal Retirement Age.

Employees hired on or before September 26, 1984, shall be able to retire with a full pension after twenty-five (25) years of service regardless of age. Employees hired after September 26, 1984, and on or before June 30, 1997, shall be eligible for an age and service pension only upon the attainment of age fifty-five (55) with ten (10) or more years of service. Employees hired on or after July 1, 1997, shall be eligible for an age and service pension only upon the attainment of the earlier of either (i) age fifty-nine (59) with ten (10) or more years of service; or, age fifty-five (55) with thirty (30) or more years of service.

(g) Popup Option.

(i) Employees, at the time of retirement, and at such time only, may elect to receive pension option "B," Joint and Survivor Pension, or option "C," Modified Joint and Survivor Pension, on a "popup" basis. If elected, upon the divorce from, or the death of the named beneficiary, the retirant's pension shall thereafter be paid as if the retirant had elected the straight life form of payment to be effective the month following the divorce or death.

(ii) The actuarial tables used in calculating the popup option shall be such that there shall be no increased cost to the City or the retirement system.

(h) Purchase of Military Service Time; Limits of Purchase of Time.

(i) An Employee may, before retirement and only once, elect to purchase credit, for retirement purposes only, for active duty service (for other than training purposes) in the United States Armed Forces for which the Employee received an honorable discharge.

(ii) An Employee will receive military time credit only upon payment as the City directs of a contribution equal to the actuarial present value as of the date of the buy-back of the pension payable by the retirement system attributable to the prior military service. Said contribution shall be made in one installment, payable not later than ninety (90) calendar days from the date that the employee receives notices of the amount due, and in no case later than the employee's effective retirement date. No credit shall be granted for any military service for which the applicant is receiving a pension or which has been used in establishing entitlement to a pension from any other source.

(iii) No purchased service credit may be used for the purpose of meeting minimum requirements for retirement.

(iv) The employee shall be required to submit a certificate or other document from military authorities indicating the character of service, and nature of separation.

(v) It is understood that the rights of Employees, if any, who made application to purchase prior military credit pursuant to the terms of a prior collective bargaining agreement with regard to either the formula for computing cost of purchase or the period of time in which to purchase such prior military time shall be governed by the terms of said prior collective bargaining agreement.

(vi) An Employee may purchase no more than three (3) years combined of military service time and interim employee time. Employees who purchase service credit must pay for the actuarial valuation.

(vii) In the event an Employee has purchased prior military service or authorized leave time, and the Employee leaves City employment for whatever reason prior to retirement, the Employee may withdraw all contributions for such purchase on the same basis as provided in the ordinances for Employee contributions.

(i) **Final Average Compensation.** For current Employees in the Defined Benefit Plan, "Final Average Compensation" means:

(i) For years of service earned before the effective date of this Agreement, the average of the three highest, 26 consecutive, non-overlapping pay period blocks (i.e., 78 pay periods) during the last sixty months of employment before the effective date of this Agreement.

(ii) For years of service earned after the effective date of this Agreement, the average of the base wages paid in the highest 36 consecutive months of employment. For purposes of this Section and any related provisions, "base wages" means the employee's base hourly wage rate times the number of hours worked plus the number of sick leave and annual leave hours used. "Base wages" excludes reimbursement for expenses, unused annual leave, unused sick leave, unused paid time off, workers' compensation pay, overtime, or any other payment in excess of the employee's base hourly wage rate times the number of hours worked plus the number of sick leave and annual leave hours used.

Section 2. Hybrid Retirement Plan for New Employees and Current Employees in Defined Contribution Plan.

(a) Applicability.

Employees who become members of the bargaining unit on or after the effective date of this Agreement, and current Employees who participate in the City of Flint 401(a) Defined Contribution Plan, shall participate in the Hybrid Retirement Plan defined by this Section. The Hybrid Plan shall have a defined contribution and a defined benefit component as defined in this Section. The Hybrid Plan shall be governed by this Agreement, the applicable provisions of the City of Flint retirement ordinance, if any, together with the applicable IRS Rules, plan

documents, the rules of the plan administrator and governing law.

(b) Defined Contribution Component.

(i) Employee and Employer Contributions to Defined Contribution Component.

An Employee who becomes a member of the Hybrid Retirement Plan 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 with an equal amount. Qualified contributions to the defined contribution component of the Hybrid Plan are pretax, in accordance with the Internal Revenue Code and its regulations. The defined contribution component of the Hybrid Plan will comply with the Internal Revenue Code.

(ii) Vesting.

Employees shall be one hundred percent (100%) vested at all times on their own employee contributions to the defined contribution component of the Hybrid Plan and to investment earnings on those contributions. Employees shall be vested on Employer contributions and investment earnings according to the following schedule:

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

(c) Defined Benefit Component.

(i) Multiplier.

The multiplier shall be 1.0% for all years of credited service earned on or after the effective date of this Agreement.

(ii) Employer Contribution.

The Employer shall fund the defined benefit component of the Hybrid Plan for participating Employees; provided, however, the City shall contribute no more than 10% of base salary for both defined contribution and defined benefit components of the Hybrid Plan. Employees shall pay all required contributions above the Employer's maximum contribution under the Hybrid Plan.

(iii) Vesting.

Employees shall be fully vested in the defined benefit component of the Hybrid Plan after six years of credited service earned on or after the effective date of this Agreement. For employees who were members of the City of Flint 401(a) Defined Contribution Plan the employees' years of service in the City of Flint 401(a) Defined Contribution Plan count toward the six year vesting requirement for the defined benefit component of the Hybrid Plan; however, for such employees, only actual years of service earned while a participant in the Hybrid Plan shall be used for pension calculation.

(iv) Final Average Compensation.

For Employees participating in the Hybrid Plan, "Final Average Compensation" means the average base wages paid in the highest 36 consecutive months of employment. For purposes of this Section and any related provisions, "base wages" means the employee's base hourly wage rate times the number of hours worked plus the number of sick leave annual leave, and paid time off hours used. "Base wages" excludes reimbursement for expenses, unused annual leave, unused sick leave, unused paid time off, workers' compensation pay, overtime, or any other payment in excess of the employee's base hourly wage rate times the number of hours worked plus the number of sick leave, annual leave, and paid time off hours used.

(d) Normal Retirement Date.

For those Employees participating in the Hybrid Plan, the normal retirement date shall be age 60.

(e) Mandatory Rollover of Current Employees in Defined Contribution Plan.

Employees participating in the City of Flint 401(a) Defined Contribution Plan shall have an amount equal to their employee contributions to the Defined Contribution plan, the investment earnings thereon, and the vested portion of Employer contributions to the Defined Contribution plan, and the vested portion of investment earnings thereon, transferred to the defined contribution plan component of the Hybrid Plan. Employees shall be vested in the transferred amount exactly as they are in the current City of Flint 401(a) Defined Contribution Plan.

Section 3. Retiree Life Insurance Benefit.

Employees who retire after the effective date of this Agreement are not entitled to receive a life insurance benefit from the Employer.

ARTICLE 56
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 57
COMMERCIAL DRIVER LICENSES

Section 1.

An applicant must demonstrate s/he has a CDL before the applicant may apply for any position with the Employer that requires a CDL.

Section 2.

An Employee who requires a CDL for employment with the City bears the sole responsibility for maintaining it. The Employer will reimburse no costs of obtaining or maintaining a CDL.

Section 3.

An Employee who is unable to maintain a CDL as required shall be placed on leave without pay, benefits, or accrual of seniority for the length of seniority or one year, whichever is less. An Employee on such leave who regains a CDL will be considered for return to the Employee's former position if it remains open. An Employee on such leave who is not returned to active employment by the end of the leave period provided by this Section shall be terminated from employment without recourse to the layoff/recall procedure in this Agreement.

ARTICLE 58
MANDATORY 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 July 1, 2012. MDOs will be scheduled in the Employer's discretion. Where feasible, the Employer will schedule MDOs in full work day increments.

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 59
SAVINGS CLAUSE

Should any Article, Section, sentence, or portion of this Agreement be held unlawful and unenforceable by any Court of competent jurisdiction, such decision of the Court shall apply only to the Article, section, sentence, or portion thereof directly specified in the decision. Upon entry of an order in accordance with said decision, the parties agree to negotiate a substitute for the invalidated language.

ARTICLE 60
RE-OPENING PROVISIONS

It shall be expressly understood by both parties that this contract may be revised, amended or otherwise altered to include new agreements, or effect changes in the existing contract language, when mutually agreed upon by the union and Employer, or as prescribed by the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531.

ARTICLE 61
TERMINATION

This Agreement is effective immediately upon its ratification by the parties or upon its imposition by the Emergency Manager and shall remain in full force and effect through the 30th day of June, 2014, when it shall terminate, unless it is further modified by the Emergency Manager pursuant to his powers under the local government and school district fiscal accountability act. If either party desires to renegotiate this Agreement, they shall notify the other of their desire in writing at least 90 calendar days before June 30, 2014.

APPENDIX A
COMPENSATION SCHEDULE
WAGE SCALES

The currently applicable wage scales shall be reduced by ***2.5%*** during the term of this Agreement. Any changes must be negotiated or implemented in accordance with law.

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