

COLLECTIVE BARGAINING AGREEMENT

CITY OF ANN ARBOR
AND
LOCAL UNION 214
AFFILIATED WITH THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
ASSISTANT FIRE CHIEFS UNIT

COMMENCING January 1, 2019
CONCLUDING December 31, 2021

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AGREEMENT

THIS AGREEMENT, entered into this January 1, 2019, between the City of Ann Arbor, a Michigan Municipal Corporation, hereinafter referred to as the "Employer" and Assistant Fire Chiefs, Local Union No. 214, affiliated with the International Brotherhood of Teamsters, located at 2825 Trumbull, Detroit, Michigan 48216, hereinafter called the "Union".

WITNESSETH

The general purpose of this Agreement is to set forth terms and conditions of employment, and to promote orderly and peaceful labor relations for the mutual interest of the Employer, the employees, and the Union. The parties recognize that the interests of the community and the job security of the employees depend upon the Employer's and the employees' commitment to continue to provide quality fire service in an efficient manner to the community. The Employer and the Union, for and in consideration of the mutual promises, stipulations, and conditions specified in this Agreement, agree to abide by the terms and provisions of this Agreement for its duration.

To this end, the Employer and the Union encourage to the fullest degree friendly and cooperative relations between the respective representatives at all levels and among all employees.

ARTICLE 1: RECOGNITION

Section 1: Pursuant to, and in accordance with the applicable provisions of Act 379 of the Public Acts of 1965, as amended, the Employer recognizes Local 214, affiliated with the International Brotherhood of Teamsters, as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, hours of work, and conditions of employment for the term of this Agreement for the following unit: Assistant Fire Chiefs.

The Employer will not aid, promote or finance any other labor group or organization which purports to engage in collective bargaining or make any agreement with any such group or organization for the purpose of undermining the Union.

The City and the Union agree to abide by Human Resources Policies and Procedures 2.2 which has been promulgated for the purpose of compliance with federal and state non-discrimination laws and Chapter 112 of the City Code, as they all may be amended.

Section 2:

- a) Consistent with the requirements of the Michigan Public Employment Relations Act, PERA, as amended, and in accordance with the terms of this article, each bargaining unit member covered by this agreement has the choice whether or not to become a union member, which includes paying dues and participating in union activities, including voting on whether to ratify this agreement. Financial support of the union is not a condition of employment. For those who are union members and wish to pay their dues via payroll deduction, the terms of this article shall apply.

This section does not require any employee to pay any fees or dues which are related to political action or other non-representational activities of the union.

- b) The Union shall indemnify and hold the Employer harmless from any and all claims, demands, suits or any other forms of liability arising out of this Section.
- c) Membership in the Union is not compulsory. Employees have the right to join, not join, maintain or drop their membership in the Union as they see fit. Neither party shall exert any pressure on or discriminate against an employee in regard to such matters.

Section 3: For all those employees who are or become members of the Union and who execute payroll deduction authorization cards, the provisions of which must conform to the legal requirements imposed by the State law, the Employer agrees to deduct from the last paycheck of each month the regular monthly dues or representation fee and initiation fees for members in the amounts certified to the Employer by the financial secretary of the Union within 15 calendar days after receipt of certification. The Union shall indemnify and hold the Employer harmless from any liability that may arise out of the Employer's reliance upon any payroll deduction authorization forms presented to the Employer by the Union or employees.

Section 4: If any provision of this Article is invalid under either Federal or State law, such provision shall be modified to comply with the requirements of Federal or State law or shall be renegotiated for the purpose of adequate replacement.

ARTICLE 2: STRIKE AND LOCKOUTS

Section 1: The Union agrees that during the life of this Agreement neither the Union, its agents, nor its members, will authorize, instigate, aid, condone, or engage in a work stoppage, slowdown, strike or any other concerted activity which interferes with the operations of the Employer. The Employer agrees that during the same period there will be no lockouts.

Section 2: Individual employees or groups of employees who instigate, aid or engage in a work stoppage, slowdown, strike or any other concerted activity which interferes with the operations of the Employer may be disciplined or discharged.

ARTICLE 3: MANAGEMENT RIGHTS

Section 1: The Union recognizes that, except as specifically limited or abrogated by the terms and provisions of this Agreement, all other rights are vested solely and exclusively in the Employer.

Section 2: The Union recognizes that the City has statutory and Charter rights and obligations in contracting for matters relating to municipal operations. The right of contracting or sub-contracting shall not be used for the purpose nor intention of undermining the Union nor discriminating against any of its members, nor shall it result in the layoff of any Assistant Chief on the payroll as of the ratification date of this Agreement.

Section 3: The Employer reserves the right to reclassify existing positions based on assignment, duties, and responsibilities, or make changes in assigned duties and responsibilities; provided, however, no employee shall be assigned duties which are not customarily performed by persons in his/her respective job classification. It is agreed that assignment changes shall not be arbitrary or capricious. If other sections expressly abridge this section, the other sections shall govern.

ARTICLE 4: DISCIPLINE AND DISCHARGE

The Employer reserves the right to discipline and discharge for just cause.

Section 1: Disciplinary Procedure

- a) When an employee is suspected of engaging in misconduct, from within the department or from outside the department, which could lead to discharge or discipline involving time off, the Fire Chief or his/her designee will notify the employee in writing within seven (7) calendar days after knowledge of the events giving rise to the possible disciplinary action.
 - i. In severe cases where it is necessary for the Fire Chief to immediately relieve the employee of duty, the employee shall be notified in writing of the reason for his/her suspension from duty. Upon receipt of the notification, the employee will be allowed the opportunity to discuss his/her relief from duty with a representative of the Union before being required to leave the premises. In the event an employee is relieved of duty, employees will be on paid administrative leave until the investigation is completed.
- b) In the case of any alleged misconduct, an investigation shall be concluded within seven (7) calendar days from the date the employee received the Notice of Investigation. If the investigation requires additional time, the Fire Chief or his/her designee, will inform the Chief Steward in writing of the reason for the extension of investigation. Such extension will not exceed seven (7) calendar days unless mutually agreed to by the Union.
- c) At the conclusion of the investigation, the employee will meet with the Fire Chief or his/her designee. The employee will be notified in writing of the results of the investigation and any disciplinary action must be administered at that time. If disciplinary action is taken, the employee will be notified in writing with a copy to be given to his/her Union representative.
- d) In cases involving discharge, the employee will be provided a final hearing with the Fire Chief (or his/her designee), and the Director of Human Resources (or his/her designee).

Section 2: In the event the employee believes the discipline administered by the Fire Chief was unjust, the employee may enter the grievance process at Step 2 within five (5) calendar days of the discipline being administered to the employee.

In the event it should be decided under the grievance procedure that the employee was unjustly discharged or suspended, the Employer shall reinstate such employee and pay full compensation, partial compensation, or no compensation as may be decided under the grievance procedure. The compensation, if any, shall be at the rate of the employee's straight time earnings during the pay period immediately preceding the date of the

discharge or suspension, less such compensation as he/she may have earned at other employment during such period.

Reference to this incident will not be considered part of employee's record if the discipline is overturned. Reference to this incident will remain in the employee's personnel file if the discipline reduced or sustained under the grievance procedure, with the final outcome reflected in the file.

Section 3: Use of Past Record

In imposing any discipline, the Fire Chief or his/her designee will not base his/her decision upon any prior infractions in the employees record which occurred more than twenty-four (24) months prior to the incident giving rise to the current discipline. The disciplinary documents will be maintained in the employee personnel file in accordance with the Bullard Plawecki Employee Right to Know Act.

ARTICLE 5: GRIEVANCE PROCEDURE

Section 1: A grievance shall be defined as any dispute regarding the meaning, interpretation, application, or alleged violation of the terms and provisions of this Agreement.

Grievances must include the facts forming the basis of the grievance, the articles that have allegedly been violated, the names of the employees impacted, and a specific statement of remedy requested. A specific statement of remedy requested must include elements of damages sought. "Make whole" is not a sufficient statement of remedy without additional information. Grievances which do not contain the required elements will be returned without answer for additional information. The time frames for responses will not begin until a grievance is accepted as complete. If the grievance form is not returned to the union member who filed the grievance within 72 hours of receipt, it shall be considered accepted and complete.

Section 2: The City and the Union shall agree on a grievance form. The form shall be used in filing a grievance.

Section 3: Grievances shall be processed according to the following procedures:

- a) Step 1: An employee who feels he/she has been aggrieved or believes that any provision of this Agreement has not been applied or interpreted properly must discuss his/her complaint with the Fire Chief within 14 calendar days after the occurrence of the event upon which the grievance is based. The parties shall discuss the complaint in a fair manner and shall make every effort to reach a satisfactory settlement at this point. If the matter is not satisfactorily settled through discussion, the aggrieved employee shall produce the grievance in written format and submit it to the Fire Chief within seven calendar days of the discussion. A decision in writing must be rendered by the Fire Chief within 14 calendar days after receipt of written document unless extended in writing by both parties.
- b) Step 2: If the grievance has not been resolved in Step 1 and the Union desires to process the grievance further, it shall appeal the grievance to the Human Resources Director or designee within 14 calendar days from notification of the Fire Chief's written reply.

The Human Resources Director and/or his/her designated representative shall hold a meeting with the Union representative(s) within 14 calendar days from the date of receiving the appeal. The Human Resources Director or designee shall file a written reply within 14 calendar days after the meeting. Full disclosure of evidence by both parties and evidence available at the time and not submitted at this step cannot be used by either party in future proceedings.

- c) Step 3: If the grievance has not been resolved in the foregoing steps and the Union desires to process the grievance further, it shall submit the grievance to arbitration through the Federal Mediation and Conciliation Service (FMCS) in accordance with

its rules, provided such submission is made within 14 calendar days after notification to the Union of the Human Resources Director or designee's answer. Failure to request arbitration in writing within such period shall be deemed a withdrawal of the grievance and it will not be considered further in the grievance procedure.

The arbitrator shall have no authority to add to, subtract from, change or modify any provision of this Agreement but shall be limited solely to the interpretation and application of the specific provisions contained herein. The decision of the arbitrator shall be final and binding upon the parties. The expenses and fees of the arbitrator and FMCS shall be shared equally by the Employer and the Union. Unless mutually agreed by both parties, a court reporter shall be scheduled to transcribe the arbitration proceedings. Each party will pay one half the costs.

Section 4: Time limits at any step of the grievance procedure may be extended only by mutual written agreement between the Employer and the Union. In the event the Union does not appeal a grievance from one step to another within the time limits specified, the grievance shall be considered as being settled on the basis of the Employer's last answer. In the event the Employer fails to reply to a grievance at any step of the grievance procedure within the specified time limits, the grievance shall be considered to be denied and may be advanced to the next step by the Union by written appeal within the proper time limit after the answer is due.

ARTICLE 6: SENIORITY

Section 1: Definitions

- a) City Seniority: An employee's length of continuous full time employment with the Employer since his/her last hiring date. "Last Hiring Date" shall mean the date upon which an employee first reported for work at the instruction of the Employer, and has not quit, retired or been discharged.
- b) Department Seniority: An employee's length of service as an employee of the Ann Arbor Fire Department. Departmental seniority date is the date of original hire or transfer into the Fire Department.
- c) Unit Seniority: An employee's length of service as an Assistant Fire Chief.

Section 2: No time shall be deducted from an employee's seniority (City, department or unit) due to absences occasioned by authorized leaves of absence, vacation, sick leaves, or for layoffs, except as provided in this Agreement.

Section 3: All new employees shall be probationary employees until they have actually worked six months as an Assistant Fire Chief (not temporary or acting). The purpose of the probationary period is to provide an opportunity for the Employer to determine whether the employee has the ability and other attributes which qualify him/her for regular employee status. During the probationary period, the employee shall have no seniority status.

A newly-promoted employee from within the department who is removed or declines the promotion before the end of his/her probationary period may opt to be returned to any available position for which they are qualified for in accordance with the IAFF contract or for a separation package in accordance with Article 7, Section 1 (a).

If the probationary employee is hired from outside of the Ann Arbor Fire Department, he/she may be terminated at the sole discretion of the Employer during the probationary period. Upon termination, the employee shall be offered a separation package in accordance with Article 7, Section 1 (a). The Fire Chief's decision shall be final and binding and not subject to the grievance procedure.

Upon the successful conclusion of his/her probationary period, the employee's name shall be added to the seniority list as of his/her last hiring date.

Section 4: The Employer will maintain an up to date seniority list. An updated copy will be kept in the City's share point. If two (2) or more employees have the same last hiring date, their names shall appear on the seniority list in order of the application for employment with the City of Ann Arbor.

Section 5: An employee's seniority shall terminate:

- a) If he/she quits, retires, or is justifiably discharged.
- b) If, following a layoff, he/she fails or refuses to notify the Employer of his/her intention to return to work immediately upon receipt of a written notice sent by overnight delivery of such recall to his/her address on record with the Employer or, having notified the Employer of his/her intention to return, fails to do so within fourteen calendar days after such notice is sent.
- c) If he/she is absent for three consecutive working days without notifying the Fire Chief or his/her designee. In proper cases, exceptions may be made with the consent of the Fire Chief. After such absence, the Employer will send written notification to the employee at his/her last known address that he/she has been terminated. If the disposition made in any such case is not satisfactory to the employee, the matter may be referred to the grievance procedure.
- d) When he/she has been laid off from the Department for a period of more than 24 consecutive months.

ARTICLE 7: LAYOFF/RECALL

Section 1: The Employer may lay off a regular employee when deemed necessary by reason of shortage of work or funds, the abolition of the position, material change in the department organization, or for other related reasons which are outside the employee's control and which do not reflect discredit upon the services of the employee. The duties performed by an employee laid off may be reassigned within reason to other employees.

- a) Preliminary Step: Prior to issuing layoff notices as outlined in Section C of this article, all bargaining unit employees in the affected service unit will be offered a voluntary separation with no recall rights. Employees will have 48 hours to notify the Director of Human Resources or designee in writing of their interest. The most senior employee(s) (depending on the number of layoffs) within the service unit affected who indicates an interest within 48 hours will be awarded the voluntary separation. The City will not contest unemployment for individuals who choose this option. Contingent upon the employee signing a separation agreement including a release of claims, the employee shall be paid severance pay (less applicable withholdings) based on years worked as follows:

| | |
|--------------------|-------------------------|
| Less than 5 years: | 12 weeks of regular pay |
| 5-9 years: | 15 weeks of regular pay |
| 10 or more years: | 21 weeks of regular pay |

Additionally, any employee who is eligible to retire and who is enrolled in the City's health care plan who chooses this option will receive a one-time deposit of \$500 in their HRA.

- b) Layoffs of employees shall be made first by inverse order of their seniority within the unit.
- c) The Chief shall give written notice to the Director of Human Resources and to the employees and the Union of any proposed layoff. Such notice shall state the reason therefore, and shall be submitted at least one (1) week before the effective date of the layoff.

Section 2: When the work force is increased after a layoff, employees will be recalled in inverse order of layoff. Notice of recall shall be sent to the employee at the last known address by overnight delivery. If an employee fails to report for work within 14 calendar days from date of mailing of notice of recall, he/she shall be considered to have quit.

Section 3: An employee laid off from City employment will be offered the opportunity to receive a payment for banked vacation, personal, and compensatory time. If the employee elects not to take an immediate payout, the City will retain the employee's leave banks for up to six months and they will be made available to the employee if he or she is recalled to work within that six month period. If the employee is not recalled within six months, the payout of any accrued vacation, personal, and compensatory time will be made at the end of the six month period. The City will maintain a laid off employee's sick

time bank during the entire period of the layoff. If the employee is recalled from the layoff, the employee's sick leave bank will be restored.

ARTICLE 8: HOURS

Section 1: Members are classified as exempt employees under FLSA, and are not eligible for overtime payments except as identified in Section 2. Work schedules shall be designated by the Fire Chief. This shall not preclude the Employer from reducing its work force, in accordance with Layoff/Recall Article.

Section 2: Scheduling

- a) During an emergency, the Fire Chief has a right to schedule employees in a manner most advantageous to the Department, and consistent with the requirements of public safety.
- b) When scheduling for special events within the City, the Fire Chief has the right to determine when an Assistant Fire Chief is required to work. When these scheduled events occur on weekends and holidays, the employee will be paid at a straight time hourly rate.
- c) Time spent working at University of Michigan football games will be compensated at time and one half.

Unit members are expected to be available on a 24-hour call back basis, except while on periods of approved leave.

ARTICLE 9: WAGES

Section 1: The following wages have been agreed to by the parties for the term of this contract.

- a) Effective January 1, 2019, the base salary for employees of the bargaining unit is \$115,119.58.
- b) Employees of the bargaining unit will receive a 2.75% increase for 2020, effective on January 1, 2020, and a 2.75% increase for 2021 effective on January 1, 2021.
- c) The City and the Union also agree that for the term of this contract a differential of 10% between the highest Battalion Chief's (18 years, Bachelor's degree) annual salary (calculated by taking the hourly rate x 54 hour week x 52 weeks) and the Assistant Fire Chief's annual salary shall be maintained for all individuals in an Assistant Fire Chief position.

The City and the Union agree that the annual wage increases are negotiated to be the salary amounts for each year, as shown in Appendix A and as specified in Section 1 (a) and (b) above. Only if the IAFF negotiated wage rates result in wages that would place the highest Battalion Chief salary at a rate that would cause the differential calculated as specified in paragraph 1(c) above to be less than 10%, the Assistant Chief's wages will increase to meet the 10% differential requirement. Under such circumstances, an amendment to Appendix A will be added to this Agreement to reflect this increase.

Section 2: Employees covered by this Agreement shall be paid in full bi-weekly. While the official payday is Friday, paychecks will normally be made available on Thursday after 3 p.m. unless there is a computer malfunction or other adverse event beyond the Employer's control.

- a) All Employees are required to participate in payroll direct deposit.
- b) There will be no paper advices or yearly mailings of W2 forms. Employee pay advices and W2 forms will be available on City website.

Section 3: It is understood and agreed that this agreement shall be conclusively construed as an employee's voluntary authorization to deduct from such employee's pay all monies owed to the City by wage overpayment.

Section 4: Employees who are promoted into the unit will be paid out at their last rate prior to promotion, for all compensatory hours that they may have banked.

Section 5: At the Fire Chief's discretion on a case-by-case basis, he/she may appoint an Acting Fire Chief when necessary. The Chief will alternate these Acting assignments between Assistant Chiefs. When appointed to the Acting Fire Chief role, the Acting Chief will receive a 15% increase over their Assistant Chief's pay for all hours worked in the Acting Chief role.

ARTICLE 10: SPECIALTY PAY AND ALLOWANCES

Section 1: Specialty Pay

- a) Assistant Chiefs who hold a Master's Degree will receive a \$600 annual allowance.
- b) Assistant Chiefs who hold an Executive Fire Officer Certification will receive a \$600 annual allowance.
- c) Assistant Chiefs who maintain their EMT Certification will receive a \$600 annual allowance.

All of the specialty pay allowances will be paid in January.

Section 2: Uniforms

Uniform and equipment purchase and maintenance will be provided by the Employer, if approved by the Chief.

Section 3: Vehicles and Mileage

- a) Mileage: The Employer shall reimburse employees who use their personal vehicles for City business at the current City rate in accordance with City policy.
- b) With the approval of the Fire Chief, unit members will have the option to be assigned a City vehicle, or receive a \$4,500 annual vehicle allowance, paid on a monthly basis (\$375/month). If an allowance is provided, members shall provide, insure, maintain, and service a vehicle for their use while on duty as well as for their personal unrestricted use while off duty.
- c) The City retains the right, for operational, financial, or other reasons, to eliminate assigned City vehicles. If the City decides to have the Assistant Chiefs return the City vehicle, they will be provided with a \$4,500 annual vehicle allowance, paid on a monthly basis.
- d) Parking spaces for Assistant Chiefs will be provided at the Fire Station One.

ARTICLE 11: LONGEVITY

Section 1: Employees who, during a given calendar year, complete five (5) or more years of continuous service for the Employer shall receive longevity allowance in accordance with the following schedule.

| Years of Service | Amount Paid |
|---|--------------------|
| Beginning with 5 th anniversary annually | \$300.00 |
| Beginning with 10 th anniversary annually | \$600.00 |
| Beginning with 15 th anniversary annually | \$900.00 |
| Beginning with 20 th anniversary, annually | \$1,200.00 |
| Beginning with 25 th anniversary, annually | \$1,500.00 |

Section 2: The above payments, where applicable, on completion of a full year's employment, will be paid to the employee during the month immediately following the employee's anniversary date. Should an employee retire from City service who eligible for longevity pay, such pay will be prorated and paid based upon actual anniversary date and will be included in final average compensation. Employees who are discharged by the City will not be eligible for prorated longevity from their anniversary date.

ARTICLE 12: HOLIDAYS

Section 1: All employees of the City shall receive their regular compensation for the following holidays during which the public offices of the City are closed.

- New Year's Day
- Martin Luther King's Birthday
- Presidents' Day
- Good Friday (1/2 day)
- Memorial Day
- July 4th
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve

Vacation time may be used in the one half (1/2) day increments in conjunction with one half (1/2) day holidays.

Effective January 1, 2020, the following Holidays will be added to the Holiday Schedule above:

- Floating Holiday
- Indigenous People's Day

Effective January 1, 2021, the following Holiday will be removed from the Holiday Schedule:

- Good Friday (1/2 day)

Section 2: To qualify for holiday pay under this Article, an employee must be a regular full time employee as of the time the holiday occurs and must have worked all of the scheduled hours he/she was scheduled to work the last day he/she was scheduled to work before the holiday and the next day following such holiday unless he/she was excused from work on said days, or unless he/she presents a reasonable excuse acceptable to management.

Section 3: If the employee is called into work on a Holiday when he/she was not previously scheduled to work (as outlined in Article 8 Hours), he/she shall receive Holiday Premium Pay at a double time rate.

ARTICLE 13: VACATION

Section 1: Employees, as of the anniversary date of their employment with the Employer, shall be eligible for paid vacation hours according to the below schedule: These accrual rates will begin with the first pay period after promotion or hire into the Assistant Fire Chief position.

| Anniversary Date | Vacation Hours Earned On Annual Basis | Accrual Earned Each Pay Period (based on 80 hour pay period) |
|-------------------------------|--|--|
| Start Date (Anniversary Date) | 150 | 5.77 hours |
| 10 th Anniversary | 180 | 6.92 hours |
| 15 th Anniversary | 210 | 8.08 hours |

Section 2: Upon hire, new employees will be advanced 40 hours of vacation leave. Employees will not start accruing vacation leave at the rate specified in Section 1 until they would have accrued the 40 hours previously advanced to them. At that point, any accrued hours will be in addition to the advanced 40 hours of leave. Any of the 40 hours of advanced vacation leave that the employee did not accrue will not be paid out upon separation from the City.

Section 3: Employees hired into this Bargaining Unit from a suppression position in IAFF will have their vacation time converted to the administration rate using the following calculation:

Number of hours in the employee's vacation bank, divided by the number of hours in the suppression shift (24), and multiplied by the number of hours in the administration shift (8). Ex: A suppression employee has 200 vacation hours in their bank, which equals 8.33 days ($200/24 = 8.33$). Take 8.33 days and convert to administration time ($8.33 \times 8 = 66.64$ hours). The employee would have now have 66.64 hours in their vacation bank.

Section 4: The Fire Chief shall determine the number of employees who can be assigned for vacation purposes at any one time, agreeing that an effort shall be made to schedule leave in accordance with the labor and work load requirements as determined by the Fire Chief. Vacation leaves shall be granted giving preference to senior employees (unit seniority).

Section 5: Vacation time off shall be cumulative from year to year. However, no employee shall be allowed to accumulate more than two (2) times the annual vacation he/she is entitled to pursuant to Section 1 of this Article.

Employees may elect to receive payment in cash for forty (40) hours of unused, banked vacation time at the end of each fiscal year covered by this agreement.

Section 6: Employees who resign or retire from City service or who die while in City service, shall be paid (or paid to the estate) at their normal salary rate for their unused

vacation, as specified in Article. If employee is terminated by the City he/she will not be paid for unused vacation.

Section 7: In the event an employee is called back to work from his/her scheduled vacation or compensable time or personal leave or regular leave in conjunction with his/her scheduled vacation, he/she shall be compensated by returning to said employee, on a one (1) day for one (1) day ratio those days lost due to the callback.

ARTICLE 14: SICK LEAVE

Section 1: Sick leave is accrued at a rate of 3.70 per pay period based on an employee being compensated for 80 hours in the pay period. Employees who render part-time services shall be entitled to sick leave on a pro rata basis according to the part-time schedule.

Unused sick leave may be accumulated to a maximum of 1200 hours. If an employee enters the bargaining unit with more than 1200 hours of sick time, he/she will be paid out for $\frac{1}{2}$ of the hours over 1200 at the rate of pay received prior to entering the unit. Other hours will remain banked.

Section 2: In addition to compensation for absences due to sickness, the following shall apply:

- a) Employees will receive payment in cash for one-half (1/2) of such employee's twelve (12) month unused accrual of sick time earned in that year, at their request. Cash payment shall be made by July 20 of each year. Such deposit will be at the rate in effect on June 30 of such year. The remaining one-half (1/2) of the unused sick time shall be carried forward.

Example: Employee earns 96 hours of sick leave in a calendar year. He/she uses 56 hours of sick time in that year. The maximum sick leave payout is 20 hours.
 $96 - 56 = 40 / 2 = 20$.

- b) If an employee quits or is discharged from his/her employment, any unused accumulation of paid sick leave shall be canceled and will not be paid. If an employee retires or dies while employed, sick leave up to the 1200 hour maximum will be paid out in accordance with the provisions of the Retirement article.

Section 3: Upon hire, new employees will be advanced 40 hours of sick leave. Employees will not start accruing sick leave at the rate specified in Section 1 until they would have accrued the 40 hours previously advanced to them. At that point, any accrued hours will be in addition to the advanced 40 hours of leave. Any of the 40 hours of advanced sick leave that the employee did not accrue will not be paid out upon separation from the City.

ARTICLE 15: HEALTH AND SAFETY

Section 1: Employer Responsibilities

The Employer shall make reasonable provisions for the safety and health of the employees during the hours of their employment. When the Employer is notified of a serious health or safety hazard in the work place, necessary steps to correct the hazard will begin immediately. The Employer shall endeavor to maintain its equipment in safe operating condition and equipped with safety appliances prescribed by law. The Employer shall furnish such protective devices and/or equipment as it deems necessary to properly safeguard the health of the employees and protect them from injury.

The Employer shall provide and maintain working conditions and equipment free of hazards as defined by MIOSHA, that are causing or are likely to cause death or serious physical injury and in a condition that would be acceptable under Act No. 154, Public Acts of 1974, "Michigan Occupational Safety and Health Act."

Section 2: Employee Responsibilities

- a) Every employee shall faithfully observe all safety rules and shall use such safety devices and/or equipment as is required thereby.
- b) Employees shall comply with all occupational safety and health rules established for their job.
- c) Employees shall properly use and maintain all personal protective equipment issued and shall not remove, displace, damage, destroy or carry off a safeguard furnished or provided for use by the employer, or interfere in any way with the use thereof by any other person.
- d) All employees are responsible for the safety training they received and working within those boundaries.
- e) All employees are required to stop work and report as soon as possible unsafe conditions that could lead to injury, illness or loss.
- f) Employees injured on the job during regular hours of employment shall report the injury as soon as possible to their supervisor and follow all instructions provided by the Benefits team or the City's Third Party Administrator. If the injury requires medical attention, arrangements shall be made to transport the employee to the nearest medical facility as identified by the City.
- g) Failure to comply with this provision may subject such employee to disciplinary action.

Section 3: Safety Committees

A Citywide Safety Committee of employees and employer representatives has been established. The Union shall have a representative of its own choosing on the City Safety Committee.

ARTICLE 16: LEAVES OF ABSENCE

Section 1: Medical Related Leaves

All medical leaves are concurrent with the Family Medical Leave Act (FMLA) when applicable under the regulations, as determined by management. While on FMLA for a personal illness, an employee must utilize sick leave banks, but can retain up to 40 hours. Once sick leave is exhausted (down to 40 hours), the employee must use other banked time (vacation, comp or personal) until time is exhausted or FMLA is exhausted, whichever comes first. The employee may choose from which bank the time comes and may reserve up to 40 hours in each bank.

Once FMLA is exhausted, if an employee continues on a medical leave or a child birth/adoption leave, the employee can request to be paid out of any remaining banks (however, sick banks may only be used if there is supporting medical documentation of illness), or may choose to be unpaid. If an employee is unpaid, he/she will be responsible for COBRA payments to continue health insurance, and employee will not accrue pension time or paid time off during the period when unpaid.

- a) Family Medical Leave: An employee who, because of a serious health condition which makes the employee unable to perform his or her duties (other than illness or accident compensable under the Michigan Workers Compensation laws), or who has an immediate family member (spouse, parent or child of the employee) with a serious health condition, or for the birth of a child, or the placement of a child for adoption or foster care, may be granted a leave of absence in accordance with the FMLA. The employee will provide the required documentation and medical certification to the Benefits Team. Employees will continue to accrue paid time off while on FMLA leave as long as they are being paid.
- b) Birth Leave/Adoption Leave: A leave will be granted upon request and with appropriate medical documentation, in accordance with FMLA for birth or adoption of a child. Medical benefits will be continued throughout FMLA period. If the Employee remains on leave after expiration of FMLA, he/she shall receive benefits during the time period when he/she is utilizing banked time for pay. Benefits will cease when banked time is exhausted.

Disability caused by pregnancy shall be treated as any other temporary illness. Therefore, an employee must use available sick time while on pregnancy leave, while she is considered medically disabled (generally 6-8 weeks). Vacation, compensatory, and personal leave time may also be used at the employee's election, if sick time is not appropriate or available, once FMLA has been exhausted. Total time for birth/adoption leave, inclusive of FMLA leave, and including use of accrued sick and vacation time shall not exceed six months.

If at the end of six calendar months the employee has not requested reinstatement, employment may be terminated. An employee reinstated from leave will be placed in the same or comparable position from which he/she left. For purposes of anniversary step increases and longevity, this leave shall not affect continuous

service and will not affect anniversary dates and longevity payments. Personal leave days or holidays are not affected by these leaves.

- c) Non-FMLA Medical Leave of Absence: A medical leave may be granted for up to two years, if approved by the Benefits Team (two years including any available FMLA). The Employer may request additional medical certification at any time during said leave to substantiate the necessity for continued leave. During the course of the leave, the employee will continue to accrue paid time off as long as he/she is receiving pay.

When an employee knows in advance that a leave of absence under this section will be requested, the employee is required to submit such requests no later than thirty (30) days prior to the leave of absence.

- d) Return from Medical Leave: Prior to returning to work from any medical leave, it is the employee's responsibility to contact the Benefits Team as soon as possible prior to the planned return to work date. Failure to promptly contact the Benefits Team may delay the employee's return to work. No employee may return to work from a medical leave without authorization from the Benefits Team.

Employees shall be returned to their previous position if the medical leave of absence of four months in length or less. If the medical leave of absence was greater than four months, the employee shall return to his/her previous position if there is a vacancy. If a vacancy does not exist, the employee shall be placed in any vacant position in the same classification. If no vacant position in the same classification is open, the employee shall be offered a separation package in accordance with Article 7 (a).

Upon return to work from a medical leave of absence, the employee will be updated within seven calendar days on any procedural or policy changes that took place in his/her absence.

Section 2: Non-Medical Leaves

The Chief must approve non-medical leaves. The Chief is also responsible for notifying the Benefits Team for coordination of benefits issues. While an employee is on a non-medical leave, he/she may utilize compensatory time, vacation time or personal time, if approved. If an employee is unpaid, he/she will be responsible for COBRA payments to continue health insurance, and employee will not accrue pension time or paid time off during the period when unpaid.

The Chief, upon approval by the City Administrator, may authorize a leave of absence for personal or educational reasons. Leaves of absence shall be classified as follows:

- a) Short Term Leave: A leave of absence not to exceed four months.
- b) Long Term Leave: A leave of absence between four months and two years duration.

An employee shall be reinstated from a Long Term Leave of any kind only if a suitable position is available. If no such position is available, the City does not guarantee reemployment. For purposes of anniversary step increases, a reinstated employee's step increase date will change in the following manner:

| | |
|---------------------------------|--|
| 0-4 Months on Leave | No Change |
| 5 th Month and Over | Anniversary Date Pushed Back 6 Months |
| 10 th Month and Over | Anniversary Date Pushed Back 1 Year |
| 16 th Month and Over | Anniversary Date Pushed Back 18 Months |
| Over 21 Months | Anniversary Date Pushed Back 2 Years |

Longevity payments will also be affected by long term leaves of absence in the following manner: (See Longevity Article 11.)

| | |
|--------------------------|--------------|
| 0-4 Months on Leave | Full Payment |
| Over 4 Months – 9 Months | 50% Payment |
| Over 9 Months | No Payment |

An employee on a Long Term Leave will not accrue sick leave, vacation leave, personal leave days or receive holiday pay except to the extent the employee is being paid from accrued banks. Availability of insurance plans shall be paid by the employee if he/she is allowed to participate and so chooses.

- c) Election to Public or Union Position: A regular employee who has been elected or appointed to a full time public or union position will be granted a leave of absence for a period not to exceed two (2) years. Said employee will be reinstated in the same or a comparable position in accordance with the above section.
- d) Training Assignments: Employees who are sent to a training seminar/school/program at the request of the City should not be considered to be on a Leave of Absence. Such employee will still be considered City employees and will continue to receive all appropriate benefits.
- e) Funeral Leave: Regular employees shall be allowed 40 hours, with pay, of funeral leave in order to attend the funeral for a death in the immediate family. Immediate family is defined as follows: mother, father, sister, brother, spouse, child, mother-in-law, father-in-law, step parent or step child or a member of the employee's household.

Regular employees shall be allowed two workdays, with pay, not to be deducted from sick leave, as funeral leave in order to attend the funeral for a death of the employee's or spouse's grandparent, grandchild, brother-in-law, or sister-in-law.

- f) Personal Leave: An employee may take up to 32 personal leave hours per year. Request for such personal leave must be made at least 24 hours before the day

requested. Granting of this leave is subject to the operational requirements of the department.

Any new employee of this unit who was previously covered by a personal leave day provision of another bargaining unit may not earn or use more than a total of 32 hours in any fiscal year. Eight hours will be granted for each fiscal quarter after a new employee enters this unit. For example, if an employee enters the bargaining unit in January, he/she will be granted 16 personal hours for the remainder of the fiscal year.

Any unused personal leave hours remaining on June 30 will be paid out at the end of the fiscal year. Upon an employee's death or retirement, the balance remaining of unused personal leave days shall be paid in cash.

- g) Military Leave: Leaves of absence shall be granted to employees who are active in the National Guard or a branch of the Armed Forces Reserves of the United States for the purpose of fulfilling their annual field training obligations and when called upon due to temporary civil disturbances. Such leave and return to work after leave shall be consistent with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA) (See Human Resources Policy and Procedure 4.8 for details regarding process).
- h) Jury Duty: An employee who is required to report for and/or perform jury duty as prescribed by applicable laws, shall be paid the difference between what he/she receives from the court as daily jury duty fees and what he/she would have earned from the Employer for the hours lost from work for jury duty, for each day on which he/she reports for and/or performs jury duty during hours he/she otherwise would have been scheduled to work for the Employer. This provision shall not apply to any day upon which the employee was excused from jury duty in time to reasonably permit him/her to return to work on his/her shift for two or more hours unless such employee does so return to work.

In order to receive the payment above referred to, an employee must give the Employer notice as soon as possible that he/she is required to report for jury duty and must furnish satisfactory evidence that he/she reported for and/or performed such jury duty for the hours for which he/she claims such payment.

- i) Return from Non-Medical Leave: Prior to returning to work from any non-medical leave, the employee must contact the Fire Chief and arrange a return to work date. If an employee returns from a non-medical leave, he/she shall receive the rate of pay for the position to which he/she is returned at the employee's current step.

Upon return to work, the employee will be updated within seven calendar days on any procedural or policy changes that took place in his/her absence.

ARTICLE 17: INSURANCE

Section 1: Health Insurance

The City will provide health, dental and optical insurance coverage described below beginning on the 90th day of employment. An employee may elect to purchase those benefits at his/her own cost during the first 89 days of employment.

Where two employees are legally married and are eligible for health, dental or vision coverage, they will be enrolled under one contract as a subscriber and spouse and receive benefits under one contract.

Employees must report major life event changes to the Benefits Team within 30 days of the event in order to add or delete persons from the benefit plans. Major life event changes impacting eligibility for benefits include marriage, birth of a child, divorce, legal adoption, legal guardianship, death, marriage of a child, or loss of health insurance under another plan. Notification beyond 30 days of the event will delay any additions of persons to benefits until the next open enrollment period. If failure to report the event within 30 days results in additional benefit costs to the City, the employee may be held responsible for such costs.

The Union agrees that health, dental and optical coverage may be placed out for competitive bidding, providing the level of benefits outlined in Appendices B, C, and D are maintained or improved. If a provider with reasonably similar acceptance levels to current providers can supply an equivalent or better benefit plan at the same cost, those benefits will be provided to the bargaining unit. There shall be at least 30 days' notice provided to bargaining unit before any changeover in providers goes into effect.

- a) Active Employee Health Care Coverage: The City will provide health care coverage under a preferred provider organization program (the "PPO Plan") administered by Blue Cross-Blue Shield of Michigan, or similar third party administrator. Employees may elect coverage under the PPO Plan as described below and in Appendix B, at the costs specified in Appendix B. Employees will be provided with specific information regarding the health care plan coverage at their new hire orientation and, in writing, each year during the open enrollment period.

The City will pay the cost of the Plan, subject to premium, deductible, co-insurance and co-pay costs described in Appendix B, which will be paid by the employee. (The employee may choose coverage for employee, employee plus one, employee plus two, employee plus three or employee plus four or more as defined in the health care plan, including children through the end of the month that they turn 26). An employee shall not be able to change such coverage election until the next open enrollment period, or unless the employee has a qualifying event as defined by the plan document. Employees transferred into this bargaining unit who, during their course of employment with the City, have served the probationary period and are currently receiving health care benefits through the City will continue with uninterrupted benefit coverage.

During the term of this Agreement, Employees will be offered two options for health care contributions on a January 1 – December 31 plan year (both plans provide the same health care benefits):

- i. “Low Plan”: No monthly premium and costs specified in Appendix B.
- ii. “High Plan”: 10% monthly premium with costs specified in Appendix B.

Premium contributions shall be based upon the illustrative premium rates for all applicable plans, and will be subject to revision based upon the plan’s experience each year, for the duration of the Agreement. In months where there are three pay periods premium contributions will be deducted from first two pay periods.

By October 15th of each year of this contract, the City will provide the Union with the illustrative rates for the health care plan for the following calendar year, as well as the applicable premiums for the following calendar year. If the City’s costs for the health care plan exceed the hard cap limits for costs that a public employer can pay as set by PA 152, the City will provide the Union with an option that will modify the health care plan in such a way as to bring the City’s plan costs under the hard cap limits. The Union will have 30 days to consider the City’s proposed modification and decide if the modification is acceptable. If the modification proposed by the City is not accepted by the Union, they may negotiate a different plan modification, but, if the plan modification exceeds the hard cap, the members will be required to pay the difference between the hard cap limit and the City’s actual costs as based on the illustrative rates of the group on a stand-alone basis. Any incremental payment will be allocated equally among the members and will be withdrawn from paychecks on a twice-monthly basis beginning January 1.

Any applicable mandates under the Patient Protection and Affordable Care Act (PPAC) that take effect during the duration of this contract will be implemented as required by law for active employees and those who retire after July 1, 2012. Employees who retired on or before July 1, 2012, are considered to be part of “retiree only” plans to which PPAC changes do not apply.

- b) Dental Coverage: Employees, their spouses and eligible dependents shall be provided a “75% (Class I and II) 50% (Class III and IV) Delta Dental Plan” with benefits as specified in Appendix D, or its satisfactory equivalent. Dental benefits are available to dependents through the end of the calendar year in which they turn nineteen (19), or until age 25 if they are full time students. Proof of student status will be requested annually after the age of 19 to verify eligibility.
- c) Optical Coverage: Employees, their spouses and eligible dependents shall be provided vision coverage through Eye-Med Advantage or its satisfactory equivalent. Vision benefits are available to dependents through the end of the calendar year in which they turn 19 or until age 25 if they are full time students. Proof of student status will be requested annually after the age of 19 to verify eligibility. Plan specifics are outlined in Appendix C.

- d) Waiver: Under specified conditions set forth in Appendix E, employees shall be able to waive their City health, dental, and/or vision insurance coverage and receive up to \$2000 per year, payable on a per pay period basis. The City reserves the right to amend or terminate the program at any time during Open Enrollment to be effective as of the upcoming January 1.
- e) Wellness Incentive Program: Employees enrolled in the City health coverage insurance plan will have the opportunity to participate in the Wellness Incentive Program. Employees can earn incentive dollars up to \$500 per plan year for completing the Wellness Incentive Program requirements by the specified dates, as determined on an annual basis by the Wellness Committee and the Benefits Supervisor. The incentive, if earned, will be deposited into the employee's Health Reimbursement Account to pay for out-of-pocket medical expenses. Employees who are hired in the 4th quarter of the calendar year are not eligible for the Wellness Incentive Program for that calendar year.

Section 2: Life Insurance Coverage

- a) Basic: The Employer will pay the entire premium cost of \$40,000 of life insurance to all members of this bargaining unit, beginning on the entry date into a position in this unit.
- b) Optional: In addition to the basic amount specified above, eligible employees will be permitted to take additional insurance equal to two or three times the amount of their annual salary, with the employee paying one half of the premium and the Employer paying the other half. Employees may elect this insurance coverage within 30 days of initial eligibility (90 days after hire). If not elected at that time, optional life insurance will be subject to evidence of insurability by the insurance provider. In addition, any coverage over \$250,000 (include basic life insurance) will be subject to evidence of insurability by the insurance provider. The insurance provider determines eligibility for this coverage.

The employee's cost of optional life insurance coverage shall be paid by payroll deduction over 26 pay periods.

- c) Dependent: Employees above are entitled to subscribe to dependent life insurance for their family in the amounts specified below:

| | |
|--------------------------------------|-------------|
| Spouse | \$10,000.00 |
| Children | |
| Birth to age 6 months | \$ 1,000.00 |
| Age 6 months to 19 years | \$ 7,000.00 |
| Students 19-25 years | \$ 7,000.00 |
| (coverage ends on the 25th birthday) | |

The cost of Dependent Life Insurance is the responsibility of the employee and will be paid for through payroll deduction on a monthly basis.

ARTICLE 18: WORKERS DISABILITY COMPENSATION

Each employee will be covered by the applicable Worker's Disability Compensation Act.

Section 1: First 52 Weeks

- a) Supplemental: The Employer agrees that an employee whose absence from work is due to illness or injury arising out of and in the course of his/her employment with the City, and who is eligible for Worker's Compensation, shall in addition to Worker's Compensation benefits, receive the difference between the Worker's Compensation benefits and his/her net City salary and all fringe benefits (except clothing and equipment allowance) as of the date of injury (excluding overtime) commencing on the first day on which he/she is unable to work due to work-related illness or injury. The supplement will be paid on the first work day, and any employee banked time used for pay continuance during the first seven days of absence will be restored to the employee's bank. Supplemental payments will be paid thereafter until the 365th day following such injury.
- b) Net Pay: Net pay for purposes of determining the supplement will be calculated as follows:

Employee's bi-weekly wage less Federal taxes, State taxes, FICA and pension withholding. The supplemental amount will not increase because of a change in the employee's W-4 form.
- c) Pension: For computation of pension withholding and final average compensation for retirement calculation, the employee's regular bi-weekly salary will be used instead of the actual supplemental amounts paid. For periods of less than two weeks, the amounts will be prorated. The City will bear any additional necessary cost to make the pension contribution the same as if the employee were working. Worker's Compensation benefits shall not be used for purposes of computing final average compensation for pension.
- d) Reoccurrence: If an employee returns to work prior to the expiration of the 52 week period, and then is off again due to a reoccurrence or aggravation of the disability resulting in the prior absence from work, that employee shall be entitled to receive supplemental pay for a number of weeks equal to 52 minus the number already received.

Section 2: After 52 Weeks

- a) Payment: After the 52 week period, an employee who is eligible for Worker's Compensation benefits will receive only those statutorily mandated Worker's Compensation benefits. After the 52 week period, the employee will not receive any fringe benefits including insurance or accrue any sick, vacation, personal, or other time, unless using accrued time to supplement worker's compensation payments up to net salary.

- b) Pension: After the 52 week period, an employee who is eligible for worker's compensation benefits will not have any pension withholdings taken nor will he/she receive pension credit.

Section 3: Secondary Employment

- a) Notice: While an employee is receiving Worker's Compensation benefits, he/she shall notify the City if he/she is working elsewhere. Failure of an employee to notify the City that he/she is employed elsewhere shall result in the employee forfeiting his/her right to any additional weekly supplemental payments to which he/she would otherwise have been entitled, and in reimbursing the City an amount equal to that earned at other employment but not to exceed the amount he/she would have been entitled to as supplemental pay.
- b) First 52 Weeks: In the event that the employee is receiving income from another job and still remains on Worker's Compensation, the amount of the City's contribution shall be reduced by such an amount so that the total of the Worker's Compensation, City contribution, and outside income will not exceed his/her City net salary as of the date of the injury.

Section 4: Work Offered by the City

While an employee is receiving Worker's Compensation benefits, he/she shall be required to perform work that is offered by the City if he/she is capable of performing that work, including limited and light duty work. If an employee refuses to perform other work offered that he/she is capable of performing, the right to supplemental pay shall be forfeited and the employee will lose regular Worker's Compensation benefits under the Act.

- a) First 52 Weeks: If the employee is offered this work during the first 52 weeks, when he or she is entitled to supplemental payments, the salary for the work offered will not be lower than his/her salary prior to the worker's compensation illness or injury.
- b) After 52 Weeks: If the employee is offered work after the 52 weeks, his/her salary shall be that of the job offered.

Section 5: Return to Work

- a) Medical Checks: The employee may be required to periodically report to a City-selected and paid for doctor.
- b) Prior Position: At any time that the employee is able to return to his/her regular position, he/she shall be required to do so. Failure to return will result in forfeiture of weekly supplemental payments and loss of regular Worker's Compensation payments under the Act.
- c) Other Positions: If the employee is not able to return to his/her former position but is able to perform work in another open position, he/she shall be offered that

position and his/her pay shall either be commensurate with the salary or wage grade for that position.

Section 6: Additional Medical Treatment upon Return to Work

The treatment must meet the criteria below to be considered an official worker's compensation medical treatment:

- Initial Treating Physician (if treated in the ER)
- Occupational Health Clinic (i.e. Concentra or other City provider)
- An official referral from the Occupational Health Clinic.

Any questions regarding whether a treatment is considered approved should be directed to the Employee Benefits team.

There will be no overtime paid for follow-up medical treatment that meets the above criteria.

If treatment is necessary during the employee's normal shift, the employee will be released and will not be required to utilize sick time.

If the treatment is necessary during off shift hours, the employee will receive equivalent compensatory time at a straight rate that that will be determined on a pay period basis. The employee must document all treatment hours on off-shift hours and submit them to the Benefits team on a pay period basis. The straight time off shall include travel time to and from the location necessary for follow-up treatment.

The Employer maintains the flexibility to change the schedule of employees requiring follow up treatment when operationally necessary.

Section 7: Coordination of Benefits

The Worker's Compensation and Pension benefits paid to an employee or a retiree shall be coordinated so that the amount of pension paid to that person shall be reduced by the amount of the Worker's Compensation payments. Upon termination of the period for payment of Worker's Disability Compensation, arising on account of his/her City employment, the employee or retiree shall again receive his/her full periodic pension payments.

ARTICLE 19: RETIREMENT

Section 1: Pension

Pension benefits shall be in accordance with the applicable terms of Chapter 18 of Ann Arbor City Code in effect as of the date of this agreement, and otherwise specifically provided for in this agreement. The following limited summary of pension benefits is applicable to members of this bargaining unit (members should consult the Pension Office or the Pension Ordinance for more specific details.

- a) Employees Hired prior to January 1, 2017:
 - i. **Contribution:** Employees contribute six percent of their total compensation on a pre-tax basis to the defined benefit pension plan.
 - ii. **Pension Calculation:** 2.75% of final average compensation, multiplied by the number of years credited service.
 - iii. **Final Average Compensation:** For employees hired before January 1, 2016, (or who transferred from another position with a 36 month FAC), final average compensation is calculated on the highest consecutive 36 months of credited service within ten years prior to retirement. For employees hired on or after January 1, 2016, (or who transferred from a position with a 60 month FAC) final average compensation is calculated on the highest consecutive 60 months of credited service within ten years prior to retirement.
 - iv. **Normal Retirement:** For employees hired into this bargaining unit before January 1, 2016, (or who transferred from a position in which they were eligible for a 5 year vesting period): Age 55 with at least 5 years of service or 25 years of service, regardless of age. For employees hired into this bargaining unit on or after January 1, 2016 (or who promoted into this unit from a position in which they were eligible for a 10 year vesting period): Age 55 with at least 10 years of service, or 25 years of service, regardless of age.
 - v. **Early Retirement:** Age 50 years with at least 20 years of service. The early reduction retirement fraction is 0.33% for each month or fraction of a month that the employee retires prior to his/her regular retirement date (see above) or 3.96% per year.

- b) Employees Hired on or after January 1, 2017:
 - i. **Contribution:** Employees contribute six percent of their total compensation on a pre-tax basis, with 3% to the defined benefit portion and 3% to the defined contribution portion of the Dual Plan. The City contributes an actuarially determined amount to the defined benefit portion and 5.2% to the defined contribution portion.
 - ii. **Pension calculation:** For the defined benefit portion of the Dual Plan: 1.375% of the final average compensation, multiplied by the number of years credited service.
 - iii. **Final Average Compensation:** For the defined benefit portion of the dual plan: final average compensation is calculated on the highest consecutive 60 months of credited service within the ten years prior to retirement.

- iv. **Normal Retirement:** For the defined benefit portion of the dual plan: Age 55 with at least ten years of service or 25 years of service regardless of age. For the defined contribution portion of the Dual Plan, vesting is at 5 years of service.
- v. **Early Retirement:** For the defined benefit portion of the Dual Plan: Age 50, with at least 20 years of service. The early retirement reduction factor is 0.33% for each month or fraction of a month that the employee retires prior to his/her regular retirement date (see above) or 3.96% per year.

Section 2: Final Payouts at Retirement

Accrued, unused sick leave, personal time and vacation time are paid out in one lump sum after retirement. Such payments are not included in final average compensation.

- a) Vacation: Employees who retire from City service shall be paid for accrued unused vacation time at the rate in effect upon the date of their separation, up to their maximum accumulation of a two-year accrual amount, or up to the maximum total payout of 1650 hours of combined sick time and vacation time. Vacation payout at retirement will not be included in final average compensation.
- b) Sick Time: An employee who retires from City service and is entered on the retirement or pension roll of the City shall be paid for his unused sick leave credits up to a maximum of 1200 hours, or up to the maximum total payout of 1650 hours of combined sick time and vacation time. Sick payout at retirement will not be included in final average compensation.
- c) Personal Time: Employees who retire from City service shall be paid up to 32 hours of personal time accrued, but not used in that fiscal year. Personal time payout will not be included in final average compensation.

Section 3: Retiree Insurance

- a) General Health Coverage: Where two retirees/employees are legally married and are eligible for health, dental or vision coverage, they will be enrolled under one contract as a subscriber and spouse and receive benefits under one contract.

Retirees and/or surviving spouses or dependents must report major life event changes to the Benefits team within 30 days of the event in order to add or delete persons from the benefit plans. Major life event changes impacting eligibility for benefits include marriage, birth of a child, divorce, legal adoption, legal guardianship, death, marriage of a child, or loss of health insurance under another plan. Notification beyond 30 days of the event will delay any additions of persons to benefits until the next open enrollment period. If failure to report the event within 30 days results in additional benefit costs to the City, the retiree, surviving spouse or dependent may be held responsible for such costs. Surviving spouses who remarry after the death of the retiree may not add a new spouse or dependent child to City benefit plans.

b) Dental and Vision: Dental and vision insurance are not provided by the City to retirees. Dental and vision insurance will end as of the date of retirement, unless continued through COBRA at the retiree's full cost.

c) Retiree Health Coverage

Hire date before July 1, 2016: The City of Ann Arbor shall provide to all bargaining unit members hired before July 1, 2016 (or who are promoted from a position which was eligible for retiree health care), who retire, (including their spouse and dependents as long as the retiree remains the subscriber), the retiree health care insurance benefits and coverage level under the health insurance plan as received by the bargaining unit member as of the date of retirement, unless otherwise provided herein. This benefit provision may also apply to surviving spouses and eligible dependent children (as defined in the health care plan) of deceased retirees, depending on the pension option chosen by the employee at the time of retirement.

It is the intent of the parties, as permitted by law, that these benefits will continue through the life of the retiree and his/her dependents during the time they are eligible, as defined in the health care plan and in accordance with the provisions of the Retiree Health Care Benefits Plan and Trust (Chapter 21 of the City's Code of Ordinances).

Other coverage: If an employee who is covered by this provision retires and is able to obtain health care coverage from another source (e.g., other employment), the retiree may choose to drop the City's health care coverage. However, should the retiree lose his/her alternate coverage for any reason, including voluntary or involuntary separation of employment, upon production of proof-of-loss to the City, such retiree may elect to reenroll under the City's health coverage. Such coverage shall be restored and recommence immediately following the production of such proof-of-loss. The City shall not prohibit a retiree or surviving spouse or eligible dependent from re-entering the City's PPO Plan for any reason upon loss of coverage from another program, and the health coverage benefits provided upon return to City coverage will be the same as those the employee was entitled to upon retirement.

Hire date on or after July 1, 2016: Employees who are hired on or after July 1, 2016, (or who are promoted from another position in the City in which they were not eligible for retiree health care coverage) will not be eligible for employer paid health care insurance coverage at the time of retirement. For the term of this agreement, the City will annually contribute the actuarial equivalent of the collectively bargained amount into a Retirement Health Reimbursement Account for each bargaining unit member hired on or after July 1, 2016. Effective January 1, 2019, the amount of this contribution is \$3,500, as outlined in Appendix F. The account will become available to employees upon their retirement, for reimbursement of eligible medical expenses, or to purchase, at the retiree's full cost, access to the City health care plan that may be offered at that time.

Employees will receive an annual statement documenting their credit in the account or it will be available on line.

Deferred Vested: Employees who do not retire, but take a deferred vested retirement allowance are not eligible to receive health care coverage.

Medicare: Retirees are required to have both Medicare Part A and Part B at the time they reach Medicare eligibility. Failure to elect such coverage will result in no coverage by the City plan. The Medicare Part B premium remains the responsibility of the retiree. If the retiree has not earned enough credit to qualify for unpaid Medicare Part A, or does not otherwise qualify for such coverage through their spouse, the retiree will continue with regular PPO Plan coverage.

Section 4: Retiree Life Insurance

- a) Basic: The Employer will pay the entire cost of \$10,000 of life insurance for retiring employees (full or early) on a City pension. Employees taking a deferred vested retirement allowance do not receive this benefit.
- b) Optional: Retiring employees who continue to have basic life insurance paid for by the City, may convert their optional life insurance into a personal (individual) policy at retirement without proof of insurability. The premium for this coverage shall be paid entirely by the retiree directly to the life insurance provider.
- c) Dependent: Retiring employees, who continue to have basic life insurance paid for by the City, may convert their dependent life insurance into a personal (individual) policy at retirement without proof of insurability. The premium for this coverage shall be paid entirely by the retiree directly to the life insurance provider.

ARTICLE 20: GENERAL

Section 1: Fitness for Duty

The Employer reserves the right to suspend or discharge employees who are not fit to perform their duties in a satisfactory manner. Such action shall only be taken if a medical examination performed by a qualified doctor of the Employer's choice at the Employer's expense reveals unfitness. If the employee disagrees with such doctor's findings, then the employee, at his/her own expense, may obtain a medical examination from a qualified doctor of his/her choice. Should there be a conflict in the findings of the two doctors, then a third doctor mutually satisfactory to the Employer and the Union shall examine the employee. The fee charged by the third doctor shall be paid by the Employer and his/her findings shall be binding on the employee, Employer and the Union. In the event an employee's seniority is terminated pursuant to this Article, he/she shall be afforded the opportunity to apply for and the Employer will attempt to place him/her in a position with another department with the Employer, and if he/she is employed by another department he/she shall retain all accrued benefits.

This section shall not preclude the Fire Chief from assigning an employee to light or limited duty if there is available work that the employee can perform without displacing another employee.

Section 2: Education

In keeping with the Employer's policy of encouraging the improvement and professionalism of its employees through education, the Employer shall provide to employees the opportunity to take courses at an accredited college or university or community college. Tuition reimbursement benefits are governed by current City Human Resources Policy 4.12. Reimbursement will be the same amount as the non-union City employees (for the duration of this contract the amount is \$5,000 per fiscal year).

Section 3: Personnel File Confidentiality

The Employer shall not allow anyone, with the exception of the Fire Chief, Fire Chief's Office Administrator, City Human Resources Director, the City Attorney, or Assistant City Attorney to read, view, have a copy of, or in any way peruse a member's personnel file which is kept by Human Resources, or as required by law under FOIA or the Bullard Plawecki Employee Right To Know Act. Any member may inspect his/her own file in the presence of the Human Resources Director or his/her designee, with the exception of the background investigation reports, anytime between 8 a.m. and 5 p.m., Monday through Friday upon request to Human Resources. Nothing in this section shall be construed to diminish the provisions of Bullard Plawecki Employee Right to Know Act (Act No. 397 of the P.A. of 1978).

Section 4: City Policies/Procedures

The Employer retains the right to issue City-wide policies and procedures, department policies and procedures, and any division-specific policies and procedures (Guidelines). The Employer shall uniformly enforce Guidelines that do not modify or conflict with the existing Collective Bargaining Agreement. If a provision in any of the Guidelines conflicts

with the existing Agreement, the Agreement will control with respect to that specific provision.

Thirty (30) calendar days prior to implementation of any changes or additions to the Guidelines affecting the bargaining unit, the proposed Guidelines will be submitted to the Union for review and input. The Employer shall be responsible for notifying bargaining unit members of any changes or additions to these Guidelines.

Section 5: Legal Assistance

The Employer shall provide to the employee such legal assistance as shall be required or needed as a result of the acts occurring when and while said employee is in the performance of his/her duties and responsibilities. This shall apply only to civil suits and "post cost" criminal prosecutions. Unless there is a conflict of interest, the City Attorney's Office must be used.

Section 6: Emergency Manager

An emergency manager appointed to the City under the Local Financial Stability and Choice Act may reject, modify, or terminate this collective bargaining agreement, in all or in part, in accordance with and as provided in the Act. This clause is inserted into this document pursuant to Public Act 9 of 2011 (MCL 423.215(7)-(9)). Should Public Act 9 of 2011 be legislatively or judicially repealed, amended or modified, this provision will be adjusted in accordance.

Section 7: PERA

PERA requests must be submitted in writing to the Director of Human Resources and Labor Relations. Exemptions to these charges may be made by the Director of Human Resources and Labor Relations. The submitting party will be charged for the following costs:

| | |
|--|--|
| Copies | \$.05 per 8.5 x11 page |
| Mailing | Actual Mailing Costs |
| Labor costs incurred in searching, examining, reviewing, redacting or separating materials | 1 Hour or Less: No charge • More than 1 Hour: The hourly wage of the lowest-paid employee capable of performing the work. |

Section 8: Contract Copies

The City will provide at its cost, 2 printed copies of the collective bargaining agreement.

Section 9: Professional Memberships

The Fire Chief may approve City payment for professional memberships at his or her sole discretion.

ARTICLE 21: SUMMARY OF PROVISIONS

Section 1: If during the life of this Agreement any of the provisions contained herein are held to be invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any provisions should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement shall not be affected thereby. In the event any provisions herein contained are so rendered invalid, upon written request by either party hereto, the Employer and the Union shall enter into collective bargaining for the purpose of negotiating a mutually satisfactory replacement for such provisions.

Section 2: The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated and signed this Agreement.

Section 3: No agreement or understanding contrary to this collective bargaining Agreement, nor any alteration, variation, waiver, or modification of any of the terms or conditions contained herein shall be binding upon the parties hereto unless such agreement, understanding, alteration, variation, waiver or modification is executed in writing between the parties. It is further understood and agreed that this contract constitutes the sole, only and entire agreement between the parties hereto and cancels and supersedes any other agreement, understandings, practices and arrangements heretofore existing.

DURATION OF AGREEMENT

This Agreement shall become effective October 21, 2019 (the date of Council ratification) and shall remain in full force and effect through December 31, 2021, and from year to year thereafter unless either party hereto serves a written notice upon the other at least sixty (60) calendar days prior to the expiration date or sixty (60) calendar days prior to the expiration of any subsequent automatic renewal period of its intention to amend, modify, or terminate this Agreement.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

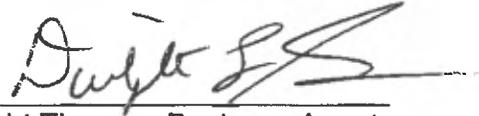
EMPLOYER
City of Ann Arbor

UNION
Assistant Fire Chiefs

By 
Christopher Taylor, Mayor

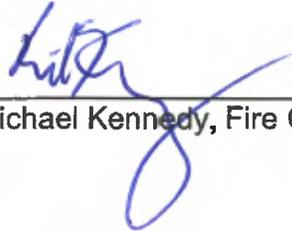
By 
Marc Tyler, Chief Steward

By 
Jacqueline Beaudry, City Clerk

By 
Dwight Thomas, Business Agent

Approved as to Substance:


Howard S. Lazarus, City Administrator


Michael Kennedy, Fire Chief

Approved as to form:


Stephen K. Postema, City Attorney

APPENDIX A: PAY SCALE

| | |
|------------------------|-------------------------------------|
| January 1, 2019 | \$115,119.58 Annual \$55.35 Hour |
| January 1, 2020 | \$118,289.60 Annual \$56.87 Hour |
| January 1, 2021 | \$121,534.40 Annual \$58.43 Hour |

APPENDIX B: HEALTH CARE PLAN

This summary is intended to be a brief description of plan provisions, and is not all-inclusive. Please call your Plan Administrator with any questions.

| | High Option PPO | | Low Option PPO | |
|--|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|
| | In-Network | Out-of-Network | In-Network | Out-of-Network |
| Medical | | | | |
| Deductible ¹ | \$300 Single \$600 Family | \$600 Single \$1,200 Family | \$1,000 Single \$2,000 Family | \$2,000 Single \$4,000 Family |
| Coinsurance | 80% after deductible | 60% after deductible | 80% after deductible | 60% after deductible |
| Medical Out-of-Pocket Maximum ² (includes medical copays, deductibles, and coinsurance) | \$1,500 Single \$3,100 Family | \$3,000 Single \$6,200 Family | \$3,400 Single \$6,800 Family | \$6,800 Single \$13,600 Family |
| Preventive Services – Adult/Child <small>*Select Services only – see BCBSM plan summaries for details</small> | Covered at 100% | Covered at 60%* | Covered at 100% | Covered at 60%* |
| Office Visit and Urgent Care Copay | \$10 | 60% after deductible | \$15 | 60% after deductible |
| Emergency Room Copay | \$50 | \$50 | \$50 | \$50 |
| Prescription Drugs (ESI) | | | | |
| Retail | \$10 Generic / \$30 Brand | | \$20 Generic / \$40 Brand | |
| Mail Order | \$20 Generic / \$60 Brand | | \$40 Generic / \$80 Brand | |

¹ Copays do not apply to the Deductible, only to the Out-of-Pocket Maximum for In-Network Services

² Medical In-Network Out-of-Pocket Maximum includes Deductibles, Coinsurance, and Copays; Medical Out-of-Network Out-of-Pocket Maximum includes Deductibles and Coinsurance.

APPENDIX C: EYEMED VISION

This Summary is intended to be a brief description of plan provisions, and is not all-inclusive. Please call your Plan Administrator with any questions.



CITY OF ANN ARBOR

| Vision Care Services | Member Cost | Out-of-Network Reimbursement |
|---|--|------------------------------|
| Exam with Dilation as Necessary | \$0 Copay | Up to \$30 |
| Contact Lens Fit and Follow-up: (Contact lens fit and follow-up visits are available once a comprehensive eye exam has been completed.) | | |
| Standard | Up to \$40 | N/A |
| Premium | 10% off Retail | N/A |
| Frames: | \$0 Copay, \$100 allowance; 20% off balance over \$100 | Up to \$50 |
| Standard Plastic Lenses: | | |
| Single Vision | \$0 Copay | Up to \$25 |
| Bifocal | \$0 Copay | Up to \$40 |
| Trifocal | \$0 Copay | Up to \$55 |
| Standard Progressive | \$60 | Up to \$40 |
| Premium Progressive | \$60, 80% of charge less \$110 Allowance | Up to \$40 |
| Lenticular | \$0 Copay | Up to \$55 |
| Lens Options (paid by the member and added to the base price of the lens): | | |
| Tint (Solid and Gradient) | \$12 | N/A |
| UV Treatment | \$12 | N/A |
| Standard Plastic Scratch Coating | \$12 | N/A |
| Standard Polycarbonate | \$35 | N/A |
| Standard Polycarbonate for Children under 19 | \$35 | N/A |
| Standard Anti-Reflective Coating | \$40 | N/A |
| Polarized | 20% off retail price | N/A |
| Other Add-Ons and Services | 30% off retail price | N/A |
| Contact Lenses (allowance covers materials only): | | |
| Conventional | \$0 Copay, \$100 allowance; 15% off balance over \$100 | Up to \$80 |
| Disposables | \$0 Copay, \$100 allowance; balance over \$100 | Up to \$80 |
| Medically Necessary | \$0 Copay, Paid in Full | Up to \$200 |
| LASIK and PRK Vision Correction Procedures: | 15% off retail price OR 5% off promotional pricing | N/A |
| Additional Pairs Benefit | | |
| Members also receive a 40% discount off complete pair eyeglass purchase and 15% discount off conventional contact lenses once the funded benefit has been used. | | |
| Frequency: | | |
| Exam | Once every 12 months | |
| Frames | Once every 12 months | |
| Standard Plastic Lenses or Contact Lenses | Once every 12 months | |

Additional Purchases and Out-of-Pocket Discount

Member receives a 30% discount on items not covered by the plan at network Providers, which cannot be combined with any other discounts or promotional offers; the discount does not apply to EyeMed's Providers' professional services or disposable contact lenses.

Members also receive a 40% discount off complete pair eyeglass purchases and a 15% discount off conventional contact lenses once the funded benefit has been used.

Benefits are not provided for services or materials arising from: Orthoptic or vision training, subnormal vision aids and any associated supplemental testing; Aniseikonic lenses; Medical and/or surgical treatment of the eye, eyes or supporting structures; Any eye or Vision Examination, or any corrective eyewear required by a Policyholder as a condition of employment; safety eyewear; Services provided as a result of any Workers' Compensation law, or similar legislation, or required by any governmental agency or program whether federal, state or subdivisions thereof; Plano (non-prescription) lenses and/or contact lenses; Non-prescription sunglasses; Two pair of glasses in lieu of bifocals; Services or materials provided by any other group benefit plan providing vision care; Certain brand name Vision Materials in which the manufacturer imposes a no-discount policy; or Services rendered after the date an Insured Person ceases to be covered under the Policy, except when Vision Materials ordered before coverage ended are delivered, and the services rendered to the Insured Person are within 31 days from the date of such order. Lost or broken lenses, frames, glasses, or contact lenses will not be replaced except in the next Benefit Frequency when Vision Materials would next become available.

APPENDIX D: SUMMARY OF DENTAL PLAN BENEFITS
January 1, 2018

| Item/Service | Coverage |
|---|-----------------------------|
| Annual Maximum Benefit (does not apply to Class 1) | \$2,000 per covered person |
| Orthodontia Lifetime Maximum (Children under 19) | \$2,000 per covered child |
| Class 1: Diagnostic & Preventative Services (Exams, Cleanings, X-Rays) | Plan pays 75% / You pay 25% |
| Class 2: Basic Services (Extractions, Fillings, Oral Surgery, Periodontics, Endodontics, Crowns) | Plan pays 75% / You pay 25% |
| Class 3: Major Services (Bridges, Prosthodontic, Dentures) | Plan pays 50% / You pay 50% |
| Class 4: Orthodontic Services (Children under age 19) | Plan pays 50% / You pay 50% |

Maximum Contract Benefit

\$2,000 per person total per benefit year on Class I, Class II and Class III Benefits. Payment for Class IV Benefits will not exceed a lifetime maximum of \$2,000 per eligible person.

Waiting Period

Employees eligible for dental benefits are covered following 90 days of continuous employment.

Enrollment

Where two subscribers are eligible under the same group, and are legally married to each other, they shall be enrolled under one subscriber and shall receive benefits under one contract without coordination of benefits under this dental contract.

APPENDIX E: HEALTH INSURANCE COST CONTAINMENT WAIVER PROGRAM

This program is offered in accordance with City policy and is in effect as specified here until it is changed, amended or discontinued by the City.

- a) Waiver and Amount of Payment: Employees may waive the City health care coverage provided under this agreement during Open Enrollment or within 30 days of a “life event” by notifying the Benefits team at the Human Resources Department, and signing the Health Care Coverage Waiver Form. In return, eligible employees will receive a \$2000 cash payment for every Plan Year in which they elect not to participate in the City's health care programs. (\$1800 for medical, \$150 for dental and \$50 for vision coverage). This payment is included in an employee's taxable gross income and subject to all appropriate state and federal taxes and pension contributions. Payments will be made in equal payments over 26 pay periods.
- b) Eligibility: Employees are not eligible if enrolled as a dependent in the City's program through a current active employee or retiree. To take advantage of this cost containment program, employees must meet the following criteria:
 - a. Employees whose spouses are City employees or retirees under the City health care coverage are not eligible for this program.
 - b. Employees must complete and submit a Health Care Coverage Waiver Form to the Benefits team.
- c) Re-Entry into the City's Health Insurance Programs: Employees who have elected not to participate in the City's health care coverage programs may re-enter the City's programs only during the annual Open Enrollment period or if the employee loses their coverage under the alternate arrangement. The employee must provide written proof of the loss within 30 days from the date of the loss. If an employee's spouse has experienced a complete non-voluntary termination of health benefits elsewhere, upon proof of loss, presented to the Benefits team, such coverage shall be restored immediately.
- d) Termination of the Program: The City reserves the right to amend or terminate this program at any time. In the event of a termination, the program will officially expire at the end of the current plan year. Amendments will be effective for the upcoming plan year and will be announced during Open Enrollment.

APPENDIX F: RETIREMENT HEALTH REIMBURSEMENT ACCOUNT CREDITS

This chart summarizes the amount credited to each Assistant Chief employee hired after July 2, 2012, (or who transferred to a bargaining unit position from another position in which he/she was not eligible for employer paid retirement health care coverage) to the Retirement Health Reimbursement Account. The actual amounts contributed by the City are actuarially determined.

| Year of Credit | Date of Credit | Amount of Credit | Contract Reference |
|-----------------------|-----------------------------------|-------------------------|---|
| 2016 | End of calendar year ³ | \$2,500 | January 1, 2016 – December 31, 2016 Article XVIII, Section 5 |
| 2017 | End of calendar year | \$2,500 | January 1, 2017 – December 31, 2018 Article XVIII, Section 5 |
| 2018 | End of calendar year | \$2,500 | January 1, 2017 – December 31, 2018 Article XVIII, Section 5 |
| 2019 | End of calendar year | \$3,500 | January 1, 2019 – December 31, 2021 Article 19, Section 3 |
| 2020 | End of calendar year | \$3,500 | January 1, 2019 – December 31, 2021 Article 19, Section 3 |
| 2021 | End of calendar year | \$3,500 | January 1, 2019 – December 31, 2021 Article 19, Section 3 |

³ Employees received pro-rata credit for the period from hire date to end of calendar year