

COLLECTIVE BARGAINING AGREEMENT

CITY OF ANN ARBOR
AND
LOCAL UNION 214
AFFILIATED WITH THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
POLICE DEPUTY 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 Local Union No. 214, affiliated with the International Brotherhood of Teamsters, located at 2801 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 interest of the community and the job security of the employees depend upon the Employer's and the employees' commitment to continue to provide quality law enforcement service in an efficient manner to the community. The Employer and the Union, in consideration of the mutual promises, stipulations and conditions hereinafter specified, agree to abide by the terms and provisions set forth herein for the duration of this Agreement.

To this end, the Employer and the Union encourage 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: Deputy Chiefs (Police Administrative Command Unit).

The Employer will not aid, promote or finance any other labor group or organization that 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 Policy and Procedure 2.2 that 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 presently 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 fifteen (15) calendar days after delivery of the payroll deduction authorization card. The Union shall indemnify and save the Employer harmless from any liability that may arise out of the Employer's reliance upon any payroll deduction authorization cards presented to the Employer by the Union or employees.

Section 4: If any provision of this Article is found to be 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 City and the Union are committed to providing every employee a workplace free from unlawful discrimination and harassment. No persons employed by the City shall be denied equal protection of the laws; nor shall any person be denied the enjoyment of his or her civil or political rights or be discriminated against on the basis of any protected class enumerated in applicable state, federal or local law, nor shall the Employer or its agents nor the Union, its agents or members discriminate against any employee because of his/her membership or non-membership in the union.

Section 3: 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 Deputy Chief on the payroll as of the ratification date.

ARTICLE 4: DISCIPLINE AND DISCHARGE

Section 1: Upon substantiation of an allegation or complaint of misconduct from within the department or from outside the department which may result in disciplinary action against an employee, but in no case more than seven (7) calendar days after the receipt of an allegation or complaint, the Chief shall inform the employee of the nature of the accusation. The employee shall, at the time of notification, if he/she so desires, have the right to consult privately with a representative of the Union present during any discussions occurring between the employee and the Chief regarding the allegation or complaint of misconduct. The employee shall respond to the complaint or allegation verbally at the time of notification if ordered to do so by the Chief. If the employee is unable to reply accurately, he/she will have the opportunity to review the appropriate written records before responding. Proceedings shall be electronically recorded by either party. Responses involving possible criminal conduct may only be used to resolve internal Police Department misconduct complaints and may not be used in any criminal court proceedings against the employee.

- a) In severe cases where it is necessary for the Chief to immediately relieve the employee of duty, the employee shall be informed of the reason for his/her suspension from duty and 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, such time shall be with pay until returned to duty, reassigned, suspended, or discharged.
- b) Exceptions to the notification procedure may be made when the complaint or accusation is of a serious criminal nature and to notify the employee would hinder the investigation. Notification shall be delayed no longer than is absolutely necessary to complete the investigation.

Section 2: The Chief, after notifying the employee of the complaint or accusation in accordance with Section 1 above shall, as soon as possible, reduce the allegations or complaint to writing and cause it to be presented to the employee within five (5) calendar days, or if the employee was relieved of duty in accordance with Section 1(a) of this Article, the Chief shall give positive notification of the allegations to the employee not later than the conclusion of the next day. The employee shall have until his/her next working day after receipt of the written allegation to reply. If the employee's reply is unclear to the Chief, the reply shall be returned to the employee for clarification. The employee shall have forty-eight (48) hours to submit a clarification. The names of all witnesses and any written statements made by witnesses will be shared with the employee. The investigation shall be conducted with all possible haste and, except for complicated matters, shall be concluded within seven (7) calendar days from the date the employee answers the allegation. If the investigation is to take longer than seven (7) calendar days, the Chief will notify the employee and tell him/her why it is being delayed.

Section 3: The Chief shall, upon completion of his/her investigation, administer appropriate discipline if warranted and forward a copy of said discipline to the employee in writing. Discipline shall only be for just cause.

Section 4: In the event the employee believes the discipline administered by the Chief was unjust, it shall be a proper subject for the grievance procedure provided a written grievance is presented pursuant to Step 2 of the grievance procedure within five (5) calendar days after the Chief has notified the employee of the discipline and administered same to the employee.

Section 5: 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 or no compensation as may be decided under the grievance procedure. Such 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. Any reference to the incident will be expunged from the employee's record.

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.

Section 2: 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 Chief of Police within fourteen (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 Chief within seven (7) calendar days of the discussion. The document shall set forth the nature of the grievance, the dates of the matter complained of, the names of the employee or employees involved and the circumstances surrounding the grievance. A decision in writing must be rendered by the Chief within fourteen (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 fourteen (14) calendar days from notification of the Chief's written reply.

The Human Resources Director and/or his/her designated representative within fourteen (14) calendar days from the date of receiving the appeal shall hold a meeting with the Union representatives. The Human Resources Director or designee shall file a written reply within fourteen (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 American Arbitration Association in accordance with its Voluntary Labor Arbitration Rules, provided such submission is made within fourteen (14) calendar days after notification to the Union of the Human Resources Director or designee 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 hereto. The expenses and fees of the arbitrator and American Arbitration Association 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 3: 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) **Department 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) **Unit Seniority:** An employee's length of service as an Administrative Command Officer (Deputy Chief).

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

Section 3: All new employees shall be probationary employees until they have actually worked twelve (12) months in the Administrative Command Unit. 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 that qualify him/her for regular employee status. During the probationary period, the employee shall have no seniority status. In the event a newly promoted employee is removed or declines the promotion during his/her probationary period, he/she shall be returned to his/her previous rank. If the probationary employee is hired from outside of the Ann Arbor Police Department, he/she may be terminated at the sole discretion of the Employer during the probationary period. In either case, the 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 (14) calendar days after such notice is sent.

- c) If he/she is absent for three (3) consecutive working days without notifying the Chief or his/her designee. In proper cases, exceptions may be made with the consent of the 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 twenty-four (24) or more consecutive months.

ARTICLE 7: LAYOFF/RECALL

Section 1: The Employer may lay off a permanent 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 subsection b 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 indicate their 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 year	6 weeks of regular pay
5-9 years	8 weeks of regular pay
10 or more years	10 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) Layoff: The Chief shall give written notice to the Director of Human Resources and to the employees and the Union of any proposed lay off. Such notice shall state the reason therefore, and shall be submitted at least one (1) week before the effective date thereof. Layoff of employees shall be made first by inverse order of their seniority within the unit.
- c) Bumping: Bumping downward, by seniority, will be allowed, including into the Police Supervisory Unit. When bumping into a lower rank classification, the bumping employee bumps the least senior employee in the lower rank classification if the bumping employee has more seniority, as defined below, than the employee who is to be bumped. To determine whether the bumping employee has more seniority, time spent in the rank from which that employee is bumping and the rank into which that employee is bumping are combined. For example, if the lower senior Deputy Chief has two years as a Deputy Chief and three years as a Lieutenant, he/she will be able to bump an employee who has been a Lieutenant for four years. However, this low seniority Deputy Chief will not be able to bump a Lieutenant who has been in that rank for six years. In this event, the Deputy Chief can exercise any bumping rights he/she may have in the next lower rank

classification. If an employee bumps into a lower rank classification, he/she shall carry all accumulated seniority into the lower classification.

- i. Employees who were promoted from the command bargaining unit to the rank of Deputy Chief and who are transferred, demoted, or who do not complete their probationary period, may bump back into their previously held rank. The method for determining their seniority for bumping rights is described in section 1c of this article.
- ii. Current members (as of the date of execution of this Agreement) who are promoted from this bargaining unit to the rank of Police Chief and who are either removed from the Police Chief position by the Administrator and City Council or who choose to voluntarily demote from the Chief's position may bump back into their previous position within this bargaining unit.

The bumping employee will bump the least senior employee in the Deputy Chief classification, if the bumping employee has more seniority than the employee who is to be bumped. To determine whether the bumping employee has more seniority, time spent in the rank in the Deputy Chief's union will be utilized.

Section 2: Recall

When the working 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 fourteen (14) calendar days from date of mailing of notice of recall, he/she shall be considered to have quit.

ARTICLE 8: TRANSFERS / RECLASSIFICATION

Section 1: The Employer shall have the right to temporarily transfer employees within this bargaining unit for a period not to exceed one hundred eighty (180) calendar days, unless a longer period is mutually agreed to by the Employer and the employee. If an employee is transferred or promoted to a position under the Employer not included in the department or unit and is thereafter transferred again to a position within the department or unit, he/she shall have accumulated seniority while working in the position to which he/she was transferred. Employees transferred under the above circumstances shall retain all rights accrued, including his/her status as a sworn police officer, during such reassignment, for the purpose of any benefits provided for in this Agreement.

Section 2: 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 9: HOURS

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

Section 2: The Employer has a right to schedule for emergencies in a manner most advantageous to the Department and consistent with the requirements of public safety. The Chief, in his/her sole discretion, determines when a Deputy Chief is required to work in the capacity of a Detail Commander for home football games and other events at City venues. When this is required, the City agrees to pay time and one half hourly wages to Deputy Chiefs when assigned by the Chief.

Section 3: Unit members are expected to be available on a 24-hour call back basis, except while on periods of approved leave.

Section 4: It is recognized by the Union that scheduling work is a management right. It is recognized by the Employer that such scheduling must not be arbitrary nor capricious, such as changing a member's work schedule from day to day except during periods of emergency. Leave days shall be consecutively assigned. Prior to any change to the existing work schedule management will meet with Union representatives and outline such changes.

ARTICLE 10: WAGES

Section 1: The following wage schedule has been agreed to by the parties for the term of this contract:

- a) Effective January 1, 2019, employees of this bargaining unit will receive a 2.75% across the board wage increase.
- b) Effective January 1, 2020, employees of this bargaining unit will receive a 2.75% across the board wage increase.
- c) Effective January 1, 2021, employees of this bargaining unit will receive a 2.75% across the board wage increase.
- d) The City and the Union agree that a differential of fifteen percent (15%) between the highest paid Lieutenant's salary and the Deputy Chief shall be maintained for all new hires and/or individuals promoted to a Deputy Police 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), (b), and (c) above. Only if the COAM negotiated wage rates result in wages that would place the highest paid Lieutenant salary at a rate that would cause the differential calculated as specified in this subsection to be less than 15%, the Deputy Chief's wages will increase to meet the 15% 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. Employees 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 for all banked compensatory hours at their last rate prior to promotion.

Section 5: When a Deputy Chief is appointed to the role of Acting or Interim Police Chief, he/she will receive additional compensation of 15% over the Deputy Chief rate for each hour worked in the Acting Chief role.

ARTICLE 11: ALLOWANCES

Section 1: Uniforms

Uniform purchase and maintenance will be provided, as approved, by the Employer. The Deputy Chief's business attire may be considered a uniform for purposes of this provision.

Section 2: Equipment

Unit members will be provided a \$4,500 annual equipment allowance, paid on a monthly basis (\$375/month).

Section 3: Vehicles

The Employer will allow the use of administrative pool vehicles to Deputy Chief's with the option to take a vehicle home if approved by the Chief. This provision shall commence at a time and date to be determined by agreement of the Union and the City.

Parking spaces for these vehicles will be provided at the City Hall complex.

ARTICLE 12: LONGEVITY

Section 1: Employees who, during a given calendar year, complete five (5) or more years of continuous service for the Employer shall receive a 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 cash payments, where applicable and upon completion of a full year's employment, will be paid to the employee during the month immediately following the employee's anniversary date. If an employee retires from City service and would be eligible for longevity pay at the end of the anniversary year, such pay will be pro-rated 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 13: 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)*
Easter
Floating Holiday (1)
Memorial Day
July 4th
Labor Day
Indigenous People's Day**
Veterans Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve

*Effective January 1, 2021, the Good Friday (1/2 day) holiday will be removed from the holiday schedule.

**Effective January 1, 2020, Indigenous People's Day will be added to the holiday schedule.

If a holiday falls on Saturday, the Friday preceding shall be the holiday. If the holiday falls on Sunday, the Monday following shall be the holiday.

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

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 hours he/she was scheduled to work on 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 those days, or unless he/she presents a reasonable excuse acceptable to management.

ARTICLE 14: VACATION LEAVE

Section 1: Effective January 1, 2020, Deputy Chiefs shall be eligible for vacation with pay at the accrual rate of 8.08 hours earned each pay period, with a maximum of 210 hours earned on an annual basis.

Section 2: The 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 work force and work load requirements as determined by the Chief. Vacation leaves shall be granted giving preference to senior employees.

Section 3: 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 4: Employees who resign or retire from City service shall be paid at their normal salary rate for their unused vacation. If employee is terminated by the City he/she will not be paid for unused vacation.

Section 5: 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 15: SICK LEAVE

Section 1: Sick leave is accrued at a rate of 3.70 per pay period in which the employee is paid for 80 hours. Employees who render part time services shall be entitled to sick leave for the time actually worked at the same rate as that granted full time employees.

Unused sick leave may be accumulated to a maximum of 1650 hours.

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.
- 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.

ARTICLE 16: LEAVES OF ABSENCE

It is the policy of the City to grant its employees a leave of absence where compelling reasons exist, provided such leaves do not result in unreasonable expense or disruption of City operations.

Section 1: Medical Related Leaves

All medical leaves are concurrent with 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 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 the 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 children 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 Supervisor. 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 the FMLA period. If the employee remains on leave after the 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 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 (6) months.

If at the end of six (6) 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 Leaves

A medical leave may be granted for up to one year, if approved by the Benefits staff (one year 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 advanced 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 from 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 is 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 of 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 placed in the next available position for which the employee has the qualifications, as determined by management, and the required seniority. In this circumstance, the regular bidding procedure would be bypassed and the placement will not be subject to the grievance procedure.

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

Management must approve non-medical leaves. Management is also responsible for notifying the Benefits staff 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 XVIII.)

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 forty (40) hours, with pay, as funeral leave in order to attend the funeral for a death in the immediate family. Immediate family is to be defined as follows: mother, father, sister, brother, wife or husband, son or daughter, 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 (2) 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 hours of personal leave per year. Request for such personal leave must be made at least twenty four (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 personal leave 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 lost. Upon an employee's death or retirement, the balance remaining of unused personal leave hours 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 out due to temporary civil disturbances. Such leave and return to work leave shall be consistent with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA) (See Human Rights Policy and Procedure 4.8 for details regarding this process.)

h) Jury Duty

An employee who is required to report for and/or perform jury duty as prescribed by applicable laws, 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, 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. This provision shall not apply for 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 (2) 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 from work from any non-medical leave, the employee must contact his/her supervisor 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 (qualifying events) to the Benefits staff 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 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.

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

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 thirty (30) days to consider the City’s proposed modification and to make a decision whether it will accept the proposed modification for its members beginning January 1 of the following calendar year. If the proposed modification is not accepted by the Union, 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. This incremental payment will be allocated equally among the members and will be withdrawn from paychecks on a twice-monthly basis beginning January 1.

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” or its satisfactory equivalent with benefits as specified in Appendix D. Dental 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.

c) Optical Coverage

Employees, their spouses and eligible dependents shall be provided vision coverage through Eye-Med Advantage as described in Appendix C, 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 outline in Appendix C.

d) Health Coverage Cost Containment Waiver Program

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 \$2,000 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

Each employee enrolled as a subscriber on the City's Medical Plan, will be eligible 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 Team. 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. Completion of a Health Risk Assessment is mandatory to participate in the Wellness Incentive Program.

f) Health Reimbursement Accounts

Unused amounts in the Health Reimbursement Account may be carried forward each year. An employee who retires and begins to receive pension payments from the City's defined benefit pension plan will be able to access unused funds, but no new contributions will be made to a retiree's account. An employee who otherwise separates from City employment for any reason will forfeit any unused funds. An employee who waives coverage and receives payments under the City's Health Care Waiver Program shall not have contributions.

Section 2: Life Insurance

The Employer agrees to the following conditions regarding life insurance:

a) Basic Life Insurance

The City will provide and pay the premium for a \$40,000 Basic Life Insurance policy to all members of this bargaining unit, beginning on their entry date into a position in this unit.

b) Optional Life Insurance

In addition to the basic amount specified above, eligible employees may elect Optional Life Insurance in an amount equal to twice or three times their base annual salary, with the City paying one-half and the employee paying one-half of the premium. Employees may elect this insurance within thirty (30) days of initial eligibility, which is their date of hire or date of promotion into the bargaining unit. If not elected at this time, Optional Life Insurance will be subject to evidence of insurability by the insurance provider. In addition, any coverage over \$250,000

(including basic life insurance) will be subject to evidence of insurability by the insurance provider. The insurance provider determines eligibility for this coverage.

c) Dependent Life Insurance

Employees may subscribe to Dependent Life Insurance for their family in the amounts specified below:

Coverage for	Amount
Spouse	\$10,000
Children	
Birth to age 6 mos.	\$ 1,000
Age 6 mos. to age 19 years	\$ 7,000
Full-time students age 19-25 (coverage ends on the 25th birthday)	\$ 7,000

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: WORKER'S 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 eighth day after the first day on which he/she is unable to work due to work-related illness or injury. The supplement will be paid to 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 unless the City Administrator approves the change.
- 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. However, an employee may use accrued sick, vacation or

compensatory 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: After six weeks on Worker's Compensation, the employee may be required to periodically report to a City-selected and paid for doctor. Following the 365th day, an employee's health and ability to perform work for the City shall be reviewed.
- 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, or 70% of the salary or wage grade of his/her original classification or position, whichever is higher.

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)
- An official referral from the Occupational Health Clinic.

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

There will be no overtime paid for follow-up medical treatment that meets the above criteria. Also, any contractual call back provisions are not applicable (i.e., there is no minimum guarantee of hours).

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 must be utilized during the pay period in which the treatment occurred. 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

Retirement 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. The following limited summary of benefits is applicable to members. Members should consult the Pension Office or the Pension Ordinance for more details.

- a) Employees Hired on or Prior to June 5, 2017
- i. Contribution: Employees contribute six (6) 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 of credited service.
 - iii. Final Average Compensation: For employees hired before July 2, 2012, (or who transferred from another position with a 36 month FAC), final average compensation is calculated based on the greater of the following two options:
 - a. A member's total compensation paid during the member's last 36 months of credited service (whether or not calendar months, and excluding any breaks in service) within the last 10 years of the Member's employment with the City; or
 - b. A member's total compensation paid during any three (3) consecutive calendar years within the last 10 years of the member's employment of the City. For the avoidance of doubt, such calendar years shall begin on January 1.

For employees hired on or after July 2, 2012, (or who transferred from a position with a 60 month FAC) final average compensation is calculated based on the greater of the following two options:

- a. A member's total compensation paid during the member's last 60 months of credited service (whether or not calendar months, and excluding any breaks in service) within the last 10 years of the member's employment with the City; or
 - b. A member's total compensation paid during any five (5) consecutive calendar years within the last 10 years of the member's employment of the City. For the avoidance of doubt, such calendar years shall begin on January 1.
- iv. Normal Retirement: For employees hired before July 2, 2012 (or who transfer from a position in which they were eligible for a five (5) year vesting period): Age 55 years with at least five (5) years of service, or 25 years of service regardless of age. For employees hired on or after July 2, 2012 (or who transferred from a position 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 after June 5, 2017
- i. Contribution: Employees contribute a total of 6% 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 6.88% 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 of credited service.
 - iii. Final Average Compensation: For the defined benefit portion of the dual plan, final average compensation is calculated based on the greater of the following two options:
 - a. A Member's total compensation paid during the Member's last 60 months of Credited Service (whether or not calendar months) (excluding any breaks in service) within the last 10 years of the Member's employment with the City; or
 - b. A Member's total compensation paid during any five (5) consecutive calendar years within the last 10 years of the Member's employment of the City. For the avoidance of doubt, such calendar years shall begin on January 1.
 - iv. Normal Retirement: For the defined benefit portion of the dual plan: Age 55 with at least 10 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 reduction factor is .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 their unused sick time credits up to a maximum of 1650 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 2, 2012: The City of Ann Arbor shall provide to all bargaining unit members hired before July 2, 2012 (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, and dependent on the pension option chosen by the employee at the time of retirement.

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 2, 2012: Employees who are hired on or after July 2, 2012, (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 2, 2012. Effective January 1, 2019 and for the term of this agreement, the actuarial equivalent 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 and who have completed 10 or more years of service with the City. 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: Fit 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 (2) 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 Chief from assigning an employee to light or limited duty if there is available work, which the employee can perform without displacing another employee.

Section 2: Health and Safety

The Employer shall make reasonable provisions for the safety and health of the employees during the hours of their employment and 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.

Section 3: MCOLES

Should the Michigan Commission on Law Enforcement Standards (M.C.O.L.E.S.) institute a fee for police officer certification or recertification, said fee will be paid in its entirety by the Employer.

Section 4: Personnel File Confidentiality

The Employer shall not allow anyone, with the exception of the Chief, Chief's Office Administrator, Professional Standards Lieutenant and Sergeants, 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. This language does not prohibit the above individuals from making official reports regarding information contained therein. 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 5: Education

In keeping with the Employer’s policy of encouraging the improvements 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 City Human Resources Policy 4.12. Tuition reimbursement amount for members of this bargaining unit will be the same as for salaried non-union employees.

Section 6: City Policies/Procedures

The City or the Department may provide Human Resources Rules for use in the City or in the Department. These rules must be submitted by the Human Resources Director if they are City rules and by the Chief if they are Departmental rules, to the City Administrator; and they shall become effective upon the City Administrator's approval. In any conflict between the City or Departmental rules and this Agreement, this Agreement shall take precedence.

Section 7: 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 police 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 8: 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 Local Financial Stability and Choice 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 9: 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	<ul style="list-style-type: none">• 1 Hour or Less: No charge• More than 1 Hour: The hourly wage of the lowest-paid employee capable of performing the work.

Section 10: Contract Copies

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

Section 11: Psychologist

Both parties agree that it is well established that policing is a demanding and stressful occupation. The potential for these occupational stressors to negatively impact an officer’s emotional well-being both personally and professionally is also well documented.

Both parties agree that each member of the bargaining unit will be offered mental health wellness checkups each year. In addition, a Deputy Chief may be required to attend a psychological exam at the request of the City Administrator or the Chief. The session will be paid for by the Employer.

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

This Agreement shall become effective ~~June 5, 2017~~ (the date of approval by City Council) and shall remain in full force and effect through the 31st day of December, 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
Deputy Police Chief

By _____
Christopher Taylor, Mayor

By _____
Jason Forsberg, Chief Steward

By _____
Jacqueline Beaudry, City Clerk

By _____
Dwight Thomas, Business Agent

Approved as to Substance:

Howard S. Lazarus, City Administrator

Michael Cox, Chief of Police

Approved as to form:

Stephen K. Postema, City Attorney

**APPENDIX A -
PAY SCALE**

January 1, 2019	Annual Salary: \$128,107.20 Hourly: \$61.59
January 1, 2020	Annual Salary: \$132,622.40 Hourly: \$63.28
January 1, 2021	Annual Salary: \$135,241.60 Hourly: \$65.02

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 Dilatation 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, 2019**

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 Deputy 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
2012	End of calendar year ³	\$2,500	January 1, 2012 – June 30, 2014 Article XIII, Section 5
2013	End of calendar year	\$2,500	January 1, 2012 – June 30, 2014 Article XIII, Section 5
2014	End of calendar year	\$2,500	January 1, 2012 – June 30, 2014 Article XIII, Section 5
2015	End of calendar year	\$2,500	January 1, 2015 – December 31, 2016 Article XVIII, Section A (5)
2016	End of calendar year	\$2,500	January 1, 2015 – December 31, 2016 Article XVIII, Section A (5)
2017	End of calendar year	\$2,500	January 1, 2017 – December 31, 2018 Article XVIII, Section A (5)
2018	End of calendar year	\$2,500	January 1, 2017 – December 31, 2018 Article XVIII, Section A (5)
2019	End of calendar year	\$3,500	January 1, 2019 – December 31, 2021 Article 20
2020	End of calendar year	\$3,500	January 1, 2019 – December 31, 2021 Article 20
2021	End of calendar year	\$3,500	January 1, 2019 – December 31, 2021 Article 20

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