TENTATIVE AGREEMENT BETWEEN INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL UNION NO. 486 (MECHANICS) AND THE BAY CITY PUBLIC SCHOOLS

The parties have reached a tentative agreement as outlined below:

SCHEDULE "A" WAGES (RELATED TO ARTICLE II)

The Salary schedule will reflect a 0% salary schedule increase with a freeze on steps/longevity as reflected at the end of the 2010-11 school year.

For the 2011-12 school year only, two (2) paid "float" days with dates to be agreed upon between the member and immediate supervisor. One day will include the Wednesday before Thanksgiving (providing students are not in attendance). All intentions will be made to utilize float days on non-student days. Should these two (2) days not be used, they may be added into the personal sick leave balance of the member (at their request).

ARTICLE XVII "INSURANCE PROTECTION"

<u>Section 17.2 shall now read:</u> "For the term of this Agreement, the Board shall provide complete health care protection on a full twelve (12) month basis with either a single, two-person, or full family benefit status as selected by the employee during the open enrollment period. Parties have agreed to offer multiple health care coverage options provided in the attached level of benefits.

Effective July 1, 2011, the monthly Board paid premium for health insurance shall be 80% of the "Base Plan" premium cost of the benefit level selected (Full Family, 2 Person, Single Coverage). The monthly member paid premium for health insurance shall be 20% of the "Base Plan" premium cost of the benefit level selected (Full Family, 2 Person, Single Coverage). The following "Base Plan" level of co-pays, deductibles and level of Co-insurance are a 100% expense of the member. The "Base Plan" is: \$300/\$600 Deductible, 20% Coinsurance Percentage up to a Potential Max Paid Out of Pocket \$900/\$1800, \$40 Office Visit Co-pay, \$50 Urgent Care Co-pay, \$250 ER Co-pay (See attached benefit level description for the (Bronze) Base Plan which will be included in the Appendix of the contract). Included in the "Base Plan" health insurance are prescription benefits that have established co-payment levels of \$10/\$20/\$40/\$80 which are the responsibility at 100% paid by the member based on the prescription category (See attached benefit levels description for prescription coverage in the Appendix of the contract).

Should the member select one of the offered health insurance options other than the "Base Plan" and the option they select is at a higher annual premium cost, the employee is responsible (in addition to their 20% cost outlined above) for 100% of the differential cost between the plan selected and the "Base Plan". Under all health insurance options offered by the Board, all co-pays, levels of deductibles and levels of co-insurance are the responsibility of the member.

Bi-weekly payments for the employee's portion of insurance benefit costs shall be made through a Section 125 payroll deduction (pre-tax benefit) as established by the District and as allowable based on available compensation level. If the member elects not to select the payroll deduction via a Section 125 (pre-tax benefit) plan, an election form to deduct on a post-tax basis must be signed by the member. If the member's required contribution to pay premiums for the insurance option selected is increased or decreased during the plan year, the payroll deduction will automatically be adjusted to reflect the increase or decrease. The Board shall have the right to recover any unpaid premiums by the member (in addition to any other remedies provided by law) by deducting the premium amount in arrears from any wages remaining to be paid to the employee. If remedies described above are not available, the District reserves the right to terminate healthcare coverage of the member who is unable to make their portion of the premium current.

There will be no double insurance coverage allowed. Whenever the employee's spouse and family are covered by a fully-paid hospitalization insurance, this section is void.

The Board shall provide dental insurance options through either a fully-insured or self-insured program. Options available are full family, single, or two person levels of benefits. The monthly Board paid premium for dental insurance shall be at 80% cost of the established premium based on the level of benefit selected. The member paid premium for dental insurance shall be 20% of the established premium cost based on the level of benefit selected. The dental coverage levels of Co-insurance as described in the summary of benefits are 100% the responsibility of the member. The dental insurance plan is included in the Appendix of the contract.

Bi-weekly payments for the employee's portion of dental insurance benefit costs shall be made through a Section 125 payroll deduction (pre-tax benefit) as established by the District and as allowable based on available compensation level. If the member elects not to select the payroll deduction via a Section 125 (pre-tax benefit) plan, an election form to deduct on a post-tax basis must be signed by the member. If the member's required contribution to pay premiums for the insurance option selected is increased or decreased during the plan year, the payroll deduction will automatically be adjusted to reflect the increase or

decrease. The Board shall have the right to recover any unpaid premiums by the member (in addition to any other remedies provided by law) by deducting the premium amount in arrears from any wages remaining to be paid to the employee. If remedies described above are not available, the District reserves the right to terminate healthcare coverage of the member who is unable to make their portion of the premium current.

Section 17.4 Vision Insurance shall now read: The Board shall provide vision insurance options through either a fully-insured or self-insured program. Options available are full family, single, or two person levels of benefits. The monthly Board paid premium for vision insurance shall be 80% of the established premium cost based on the level of benefit selected. The member paid premium for vision insurance shall be 20% of the established premium cost based on the level of benefit selected. The vision coverage levels of Co-insurance as described in the summary of benefits are 100% the responsibility of the member. The vision insurance plan is included in the Appendix of the contract.

Bi-weekly payments for the employee's portion of vision insurance benefit costs shall be made through a Section 125 payroll deduction (pre-tax benefit) as established by the District and as allowable based on available compensation level. If the member elects not to select the payroll deduction via a Section 125 (pre-tax benefit) plan, an election form to deduct on a post-tax basis must be signed by the member. If the member's required contribution to pay premiums for the insurance option selected is increased or decreased during the plan year, the payroll deduction will automatically be adjusted to reflect the increase or decrease. The Board shall have the right to recover any unpaid premiums by the member (in addition to any other remedies provided by law) by deducting the premium amount in arrears from any wages remaining to be paid to the employee. If remedies described above are not available, the District reserves the right to terminate healthcare coverage of the member who is unable to make their portion of the premium current.

<u>Section 17.5 – Annuity Option In Lieu of Health Insurance shall now read:</u>
Bargaining Unit members who qualify for Health Insurance coverage, who choose not to be provided with such coverage because they have health coverage through another resource, shall be eligible to receive an annuity of \$100.00 per month toward a plan currently payroll deducted by the Board of Education or may receive such payment in a cash option. The member will need to complete a declination form when making a decision not selecting insurance coverage.

Bargaining Unit members may elect hospitalization insurance if his/her spouse who was previously covered by fully paid hospitalization elsewhere died, retired or otherwise lost the benefit of such hospitalization coverage for reasons beyond his/her control. Such member would drop the annuity option and then

be permitted to apply for Health Insurance through the Board on the usual terms and conditions prescribed by the insurance company.

MANAGEMENT RIGHTS:

The following will be added to the "Management Rights" section as follows: An emergency manager appointed under the Local Government and School District Fiscal Accountability Act is authorized to reject, modify, or terminate this Agreement as provided in the Local Government and School District Fiscal Accountability Act.

This clause is included in this agreement because it is legally required by state law. It is noted the union does not agree or acknowledge this provision as binding and reserves all rights to assert this clause as unenforceable.

ARTICLE XXX "TERMINATION OF AGREEMENT"

The term of this agreement is for one (1) year. This section would reflect an effective date of July 1, 2011 and continuing in full force until June 30, 2012.

OTHER INFORMATION

The parties agree the Board of Education shall electronically post the agreement on the District website; printed copies of the contract will be provided to employees upon request.

The parties agree to update all areas of the contract when referring to Human Resources to "Personnel and Employee Relations".

The parties agree to update all references to "Head Mechanic" to "Service Manager".

All other contractual language will remain in tact for the duration of this agreement.

BAY CITY PUBLIC SCHOOLS TEAMSTERS UNION

Date 6-6-11 Date