

MASTER AGREEMENT

BETWEEN THE

CITY OF DETROIT

AND THE

DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

2005 – 2008

2005 - 2008 MASTER AGREEMENT

City of Detroit/ Detroit Income Tax Investigators Association

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AGREEMENT

This Agreement is entered into between the City of Detroit, a Michigan Municipal Corporation, (hereinafter referred to as the EMPLOYER or the CITY) and the Detroit Income Tax Investigators Association (hereinafter referred to as the ASSOCIATION or UNION).

NOTE: The headings used in this Agreement and Exhibits neither add to nor subtract from the meaning but are for reference only.

PURPOSE AND INTENT

- A. 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 City of Detroit in its capacity as an Employer, the Employees, the Association and the citizens of the City of Detroit.
- B. The parties recognize that the interest of the community and the job security of the employees are dependent upon the parties working together toward achieving the goal of customer service excellence for citizens, businesses and visitors of Detroit; and accomplishing the Employer's initiatives of effective community policing, safe and stimulating programs for young people, and improving the environment in neighborhoods to instill civic pride and encourage new development.
- C. To these ends, the Employer and Association encourage to the fullest degree friendly and cooperative relations between the respective representatives at all levels and among all employees.
- D. Basic rights and equities of employees are established through the City Charter, Executive Orders of the Mayor, Ordinances and Resolutions of the City Council, Rules of the Civil Services Commission, and the terms of the Agreement.

1. RECOGNITION OF ASSOCIATION

- A. Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Act of 1947, as amended, the Employer does hereby recognize the Association as the exclusive representative for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment for the term of this Agreement for all employees holding classifications listed in Schedule A.
- B. The City will not promote any labor group or organization, which purports to engage in collective bargaining or make any agreement with any labor group or organization which would violate any rights of the Association under this Agreement.
- C. Provisional employees will not be used to replace or in lieu of Civil Service status employees in classifications in the recognized bargaining unit, unless it is impossible to hire Civil Service status employees either from within or from outside the City service.

2. MANAGEMENT RIGHTS AND RESPONSIBILITIES

Consistent with the express terms of this Agreement:

- A. The Association recognizes the prerogatives of the City to operate and manage its affairs in all respects in accordance with its responsibilities and power of authority as set forth in the Charter and the Home Rule Act.
- B. The City has the right to schedule overtime work as required in a manner most advantageous to the City and consistent with requirements of municipal employment and the public interest. Such overtime shall not be scheduled so as to reduce the work force.
- C. The City reserves the right to discipline and discharge for just cause. The City shall have the right to establish reasonable hours and schedules of work and to establish the methods and processes by which such work is performed; provided such actions do not conflict with the terms of this Agreement.

The Association shall be notified in advance of anticipated major changes in working conditions, and conference in good faith shall be held thereon before they are placed in effect. Emergency situations shall be excepted from this provision.

- D. The City will not lock out any employee during the term of this Agreement. However, if any employee is unable to work because equipment or facilities are not available due to a strike, work stoppage, slowdown or other interference by other employees, such inability to work shall not be deemed a lockout under the provisions of this section.
- E. Except as specifically abridged, delegated, granted or modified by this Agreement all of the rights, powers, and authority the City had prior to the signing of this Agreement are retained by the City and remain exclusively within the rights of the City.

3. EMPLOYEE RIGHTS

- A. Nothing in this Agreement shall abridge any right or privilege that an employee has under the Constitution and Laws of the State of Michigan, nor under the Charter or Ordinances of the City of Detroit, or Resolutions of the Detroit City Council unless otherwise specified in this Agreement.
- B. All employees within the bargaining unit shall have the right to review his/her personnel record every six (6) months if requested in writing. Such request shall be granted within five (5) working days of the receipt of the written request and shall be scheduled during working hours. This review may be with the presence of the employee's Association Representative if requested by the employee.

Employees shall be entitled to copies of materials in their personnel file, and to submit written statements explaining the employee's position if there is disagreement with any material in the file in accordance with applicable State Law.

No employee represented by the Association shall be permanently assigned to supervise, or be responsible for the work of any employee at a level of classification equal to or greater than his own in accordance with Schedule A, unless in training for a specified time or he/she is undergoing reclassification.

4. INTERFERENCE WITH WORK

- A. The Association agrees that it will take all reasonable steps to cause the employees covered by this Agreement, individually and collectively, to perform all duties of their employment positions and to render efficient service to the very best of their abilities.
- B. The Association, therefore, agrees that there shall be no interruption of these services for any cause whatsoever by the employees it represents; nor shall there be any concerted failure by them to report for duty; nor shall they absent themselves from their work or abstain, in whole or in part, from the full, faithful and proper performance of all the duties of their employment.
- C. The Association further agrees that it shall not encourage any strikes, sit-downs, stay-ins, slow-downs, stoppages of work, malingering, or any acts that interfere in any manner or to any degree with the continuity of the public service.
- D. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action if any employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, except that the City shall not be required to pay the wages of employees who shall refuse to report for and be willing to work, provided however that such refusal shall in no way be detrimental to public health and safety. The employee cannot be ordered to cross a picket line if such action could result in adverse effect to the personal safety of the employee.

5. AGENCY SHOP

- A. Employees are free to join or not to join the Association. Employees who are members of the recognized bargaining unit but who are not members of the Association may join the Association by initiating their Association application form and dues deduction authorization form.
- B. The City agrees to deduct from the wages of an employee, who is a member of the Association, all Association membership dues uniformly required, as provided in a written authorization in accordance with the standard form used by the City provided that the said form shall be executed by the employee. The written authorization for Association dues deduction shall remain in full force and effect during the period of this Agreement unless revoked by written notice. The revocation notice must be given to both the Finance Department and to the Association
- C. Any person certified and employed with the City on or after October 11, 1947, who is not a member of the Association and who does not make application for membership within

ninety (90) calendar days from the effective date of this Agreement or from the date they first become a member of the bargaining unit, whichever is later, shall as a condition of employment, pay to the Association a service fee as a contribution towards the administration of this Agreement. Employees who fail to comply with this requirement shall be discharged within thirty (30) calendar days after receipt of written notice by the employing Department from the Association, unless otherwise notified by the Association in writing within said thirty (30) calendar days, and provided that the Association shall release the Department from fulfilling the obligation to discharge if during such thirty (30) calendar day period the employee pays the membership dues or service fee retroactive to the due date and confirms his/her intention to pay the required membership dues or service fee in accordance with this Agreement.

- D. The City agrees to deduct from the wages of any employee covered by this Agreement, who is not a member of the Association, all Association service fees uniformly required as provided in a written authorization in accordance with the standard form used by the City, provided that the said form shall be executed by the employee. The written authorization for Association service fee deduction shall remain in full force and effect during the period of this Agreement unless revoked by written notice. The revocation notice must be given to both the Finance Department and to the Association.
- E. All Association membership dues and service fees will be authorized, levied, and certified in accordance with the by-laws of the Association. Each employee and the Association hereby authorize the City to rely upon and to honor certifications by the Treasurer of the Association regarding the amounts to be deducted and the legality of the adopting action specifying such amounts of Association dues and service fees, which dues and service fees shall be sent reasonably promptly to the Treasurer of the Association. The Treasurer of the Association shall not request the City to change the amounts so deducted more often than four (4) times each City fiscal year.
- F. The Association shall have no right or interest whatsoever in any money authorized withheld until such money is actually paid over to them. The City or any of its officers and employees shall not be liable for any delay in carrying out such deductions, and upon forwarding a check in payment of such deductions by mail to the Association, the City and its officers and employees shall be released from all liability to the employee-assignors, and to the Association under such assignments. (Chapter 13, Article 4, Section 4 of the Municipal Code of the City of Detroit.)
- G. The Association shall refund to employees, dues and service fees erroneously deducted by the City and paid to the Association. The City may offset any amount erroneously or improperly deducted and paid to the Association from any subsequent remittance to the Association.
- H. The Association agrees to save and hold harmless the City from any damages or other financial loss, which the City may be required to pay or suffer as a consequence of enforcing the above provisions.

6. GRIEVANCE PROCEDURE

- A. The grievance procedure contained in this Agreement shall be the exclusive grievance procedure during the term of this Agreement for all members of the bargaining unit. Should differences arise between the City and the Association, an earnest effort shall be made to resolve such differences promptly and the following procedure shall be adhered to.

NOTE: Any disputes concerning suspension or discharge of employees are to be submitted in writing directly at Step 3 -Department Head Level (see below).

- B. An employee grievance is a difference between the Employer and the employee concerning the interpretation or application of any provisions of this Agreement.
- C. An Association grievance is a difference between the Employer and the Association concerning the interpretation or application of any provision of this Agreement and affecting a large number of employees. Association grievances must be in writing and signed by the President of the Association and may be submitted directly to the third step of the grievance procedure.

D. **Grievance Steps:**

Step 1: Any employee who believes that any provision of this contract has not been properly applied or interpreted may discuss the matter with his/her supervisor. The employee has the right to have his/her Association representative present. All parties will discuss the matter in a civil, impersonal and business-like manner, and will make every effort to reach a satisfactory settlement.

Step 2: Any grievance that cannot be settled informally shall be submitted in writing by the Association representative to the Division Head. Both the employee and the Association representative shall sign the grievance form. The grievance form must indicate (1) statement of the grievance and the facts upon which it is based (2) the sections of this Agreement that it is alleged have been violated, and (3) the remedy or correction requested.

A meeting with the Association will be promptly arranged to take place within five (5) working days from the date of the appeal. The Division Head or his/her designated representative shall render a written decision within five (5) working days from the date of the meeting. If the subject grievance is not appealed to Step 3 within five (5) working days from the date of the Division Head's written decision, Management's last disposition shall be considered the settlement of the grievance.

Step 3: If the grievance is not satisfactorily resolved in Step 2, the Association representative may appeal in writing to the Department Head or his/her designated representative. A meeting with the Association will be promptly arranged to take place within five (5) working days from the date of the appeal. The Department Head, or his/her designated representative, shall give his/her decision in writing within five (5) working days. Management's written answer after the third step meeting shall briefly state the factors considered by management in its decision regarding the grievance. If the subject grievance is not appealed to Step 4 within five (5) working days from the date of the Department Head's decision, management's last disposition shall be considered the settlement of the grievance.

Step 4: If the grievance is not satisfactorily settled in Step 3, the Association representative may appeal the decision in writing to the Labor Relations Division. The Association's written appeal to the fourth (4th) step shall state the facts in dispute and/or reasons for dissatisfaction with management's third (3rd) step answer. A meeting will be arranged within five (5) working days between no more than three (3) representatives of the City, and no more than three (3) representatives of the Association to attempt to settle the grievance.

The grievant must not be present at this meeting unless the case involves his/her discharge or suspension. A written decision shall be rendered by the Labor Relations Division within five (5) working days from the date of the meeting. The decision of the Labor Relations Division shall be considered as settlement of the grievance unless the decision is appealed to arbitration according to Step 5, within five (5) working days from the date of the decision of the Labor Relations Division or date that such answer was due.

Step 5: Any unresolved grievance which relates to the interpretation, application, or enforcement of a provision of this Agreement and which has been fully processed through the last step of the grievance procedure, may be submitted to arbitration by either party in strict accordance with the following:

- A. Arbitration shall be invoked by written notice to the other party of intention to arbitrate. If the parties are unable to agree upon an ad hoc arbitrator within seven (7) working days of such notice the party seeking arbitration will secure a list of arbitrators from the Federal Mediation and Conciliation Service (FMCS), the parties will then meet to mutually agree upon an arbitrator from the list. If the party desiring arbitration fails to refer the matter to the Federal Mediation and Conciliation Service within a reasonable time, not to exceed ninety (90) days of the notice of intention to arbitrate, the matter shall be considered settled on the basis of the last answer to the grievance.
- B. The arbitrator shall limit his/her decision strictly to the interpretation, application or enforcement of the provision(s) of the Agreement and he/she shall be without power and authority to make any decision:
 - 1. Contrary to, or inconsistent with or modifying or varying in any way, the terms of this Agreement.
 - 2. Concerning the discipline or discharge of an employee for engaging in a strike, slowdown or stoppage of work if the employee exercises his/her right under Section 6 of Act 336 of the Public Acts of 1947 as amended, or if the discipline or discharge of an employee has been appealed to the Mayor pursuant to provisions of the Detroit City Charter or applicable State Law (Veterans Preference).
 - 3. Granting any wage increases.
 - 4. Granting any right or relief for any period of time whatsoever prior to the execution date of this Agreement.
 - 5. Relative to position classification whether permanent or temporary.
 - 6. Changing the level of discipline issued to employees provided such discipline is consistent with disciplinary guidelines published by the department and involving

infractions for workplace violence, sexual harassment, theft or misappropriation of City property, being under the influence of alcohol or controlled substances at work, or any egregious acts which bring the City into disrepute.

- C. The arbitrator shall have no authority to require the City to delegate, alienate or relinquish any powers, duties responsibilities, obligations or discretions which by State Law or City Charter the City cannot delegate, alienate, or relinquish.
- D. No settlement at any stage of the grievance procedure, except an arbitration decision, shall be a precedent in any arbitration and shall not be admissible in evidence in any future arbitration proceeding.
- E. All claims for back wages shall be limited to the amount of wages that the employee otherwise would have earned, less any direct monetary compensation received for temporary employment obtained subsequent to his/her removal from the City payroll, and payments from unemployment insurance, social security disability, welfare, Family Independence Agency, and City funded programs such as Long Term Disability Insurance, Sickness and Accident Insurance and Automobile Accident Income Replacement Insurance. Where appropriate, the City shall reimburse those agencies and insurance funds so as to not affect the employee's equity therein. **(NOTE:** It is the understanding of the parties that deductions from back wages excludes all forms of income existing at the time the employee was suspended or discharged and which were not the direct result of the loss of employment.)
- F. The decision of the arbitrator in a case shall not require retroactive wage adjustment in another case except by expressed agreement of the parties.
- G. There shall be no appeal from the arbitrator's decision if made in accordance with his/her jurisdiction and authority under this Agreement. The arbitrator's decision shall be final and binding on the City, on the Employer or Employees, and on the Association.
- H. In the event a case is appealed to an arbitrator and he/she finds that he/she has no power to rule on such case, the matter shall be referred back to the parties without decision or recommendations on the merits of the case.
- I. The expenses of the arbitrator shall be shared equally by the parties. Each party shall make arrangements for and pay the expenses of witnesses who are called by them.
- J. The City shall pay for lost time for the aggrieved and one Association representative with respect to their participation in arbitration cases. No other Association member shall be paid by the City with respect to their participation in arbitration cases.
- K. **Stipulations to the Grievance Procedure:**
 - 1. All grievance settlements shall be in accordance with the terms and spirit of this Agreement. All settlement agreements and last chance agreements negotiated at any step of the grievance procedure must be signed by representatives of the Labor Relations Division.

2. Any grievance under this Agreement which is not filed in writing within ten (10) working days after the grievance arises shall not be considered a grievance.
3. "Working Days" as used in the Grievance Procedure, shall include Monday through Friday and exclude Saturdays, Sundays and Holidays. The period of "optional holiday closing" (established under the Holiday Article of this Agreement) will be excluded from the grievance procedure time limits.
4. The Association may withdraw a grievance without prejudice at any step of the Grievance Procedure.
5. Any grievance hearing not scheduled and held within the prescribed time limits or any grievance not answered by the City within the prescribed time limits may be appealed by the Association to the next step of the Grievance Procedure.
6. The time elements in the first four (4) steps of the Grievance Procedure may be shortened or extended or steps may be eliminated by mutual agreement.
7. The City shall not be required to pay back wages more than five (5) working day prior to the date a written grievance is filed.
8. All claims for back wages shall be limited to the amount of wages that the employee otherwise would have earned, less any direct monetary compensation received for temporary employment obtained subsequent to his/her removal from the City payroll, and payments from unemployment insurance, social security disability, welfare, Family Independence Agency and City funded programs such as Long Term Disability Insurance, Sickness and Accident Insurance and Automobile Accident Income Replacement Insurance. Where appropriate, the City shall reimburse those agencies and insurance funds so as to not affect the employee's equity therein. (**NOTE:** It is the understanding of the parties that deductions from back wages excludes all forms of income existing at the time the employee was suspended or discharged and which were not the direct result of the loss of employment.)
9. In the case of a pay shortage of which the employee would not have been aware before receiving his/her pay, any adjustment made shall be retroactive to the beginning of the pay period covered by such pay, if a grievance is filed within ten (10) working days within receipt of such paycheck.

7. DISCHARGE OR SUSPENSION

- A. **Notice of Discharge or Suspension:** The Employer agrees upon the discharge or suspension of any member of the bargaining unit to promptly notify the Association in writing that a discharge or suspension has taken place.
- B. The discharged or suspended employee will be allowed to discuss his/her discharge or suspension with his/her designated Association representative and the Employer will make available an area where he/she may do so before he/she is required to leave the

property of the Employer. Upon request, the Employer or his/her designated representative, will discuss the discharge or suspension with the employee and his/her designated Association representative.

- C. **Appeal of Discharge or Suspension:** Should the discharged or suspended employee or his/her designated Association representative consider the discharge or suspension to be improper, a written grievance shall be filed directly with Step 3 of the Grievance Procedure within five (5) working days of the notice of the discharge or suspension.
- D. **Use of Past Record:** In imposing any discipline on a current charge, Management will not take into account any prior infractions which occurred more than fourteen (14) months previously. However, this period shall be extended to twenty-four (24) months where the current charge is a repetition of prior infractions involving workplace violence, sexual harassment, theft or misappropriation of City property, or being under the influence of alcohol or controlled substances at work.

8. SPECIAL CONFERENCE

- A. A Special Conference for important matters will be arranged between the Association President and the Division Head or his/her designated representative upon the request of either party. Such a meeting shall be between no more than three (3) and at least two (2) representatives of the Department and no more than three (3) and at least two (2) representatives of the Association.
- B. Arrangements for a Special Conference shall be made in advance and an agenda of the matters to be taken up at the meeting shall be presented at the time the Conference is requested. Matters taken up in Special Conference shall be confined to those included in the Agenda. A Special Conference shall be held within seven (7) calendar days after the request is made, unless extended by mutual agreement of the parties.

A Conference shall be held between the hours of 9:00 A.M. and 4:00 P.M. The members of the Association shall not lose time or pay for time spent in such a Special Conference.

- C. The Association representatives may meet at a place designated by the City on the City's property for not more than one (1) hour immediately preceding a meeting with the representatives of the City for which a written request has been made.
- D. Within ten (10) working days of the date of the Special Conference, upon request of either party, the other shall submit a written position statement on the matters taken up in the Special Conference.

9. SAFETY

- A. The Association and the City mutually agree that employee safety is of primary concern and that every effort shall be made to promote safe equipment, safe work habits, and safe working conditions.

- B. The issue of employee safety shall be a proper matter for a Special Conference and/or the Labor Management Committee.

10. CONTRACTUAL WORK

The right of contracting or sub-contracting is vested in the City. The right to contract or sub-contract shall not be used for the purpose of interfering with or discriminating against any of the members of the Association.

In cases of contracting or sub-contracting involving employees covered by this Agreement, the City will notify the Association of the nature of the contract job to be done, which may be the subject of a Special Conference.

11. NON-DISCRIMINATION

It is agreed by the City and the Association that the City and the Association are legally and morally obligated to provide equality of opportunity, consideration and treatment of all employees of the bargaining unit and to establish policies and regulations that will insure such equality of opportunity, consideration and treatment of all persons employed in the bargaining unit in all phases of the employment process without regard to race, color, creed, national origin, age, political orientation, sex, sexual orientation, marital status, or disability.

12. SENIORITY

- A. Seniority is hereby defined as the length of continuous service beginning on the date of legal certification to a position in the classified service of the City of Detroit, or the date of induction into such classified service as provided by law. Effective July 1, 1978, employees who are certified for employment but not hired within thirty (30) days of such certification, shall have their date of hire recorded as their date of seniority and certification.

Seniority, as defined above and in accordance with the Rules of the Human Resources Department incorporated herein by reference is established primarily to serve as a basis for determining the order of demotion or lay-off in the event of a reduction in force and the re-employment rights of employees: (**NOTE:** Seniority is not the same as "service time" as utilized for the various economic benefit provisions.)

- B. **Seniority Lists:** The City will furnish the Association once a year, a seniority list showing each bargaining unit member's name, address, department, classification, pension number, and social security number, and total City seniority date. This information shall be organized in a format mutually agreeable to the Association and the City.

- C. **Loss of Seniority:** An employee shall lose his/her seniority for the following reasons only:
1. The employee resigns or quits.
 2. The employee retires on regular service retirement
 3. The employee is discharged or permanently removed from the payroll and the separation is not reversed through the grievance procedure.
 4. The employee does not return to work at the expiration of a leave of absence except for good cause.
 5. The employee does not return to work when recalled from layoff as set forth in the recall procedure.
- D. **Suspension of Seniority Credit:** An employee shall not lose his/her accrued seniority but shall not accumulate additional seniority credit during the following periods:
1. Layoffs resulting from reduction in force which exceed four (4) years.
 2. Leaves of absence which exceed one (1) year.
 3. Non-duty disability retirements which exceed one (1) year.
 4. Voluntary layoffs.
- E. An employee who is absent from duty for three (3) consecutive work days without specific leave from his/her department and who fails to notify the employer within these three (3) days (except in cases of proven unabling emergency), shall be deemed to have quit his/her employment from City service and to have vacated his/her position. Any such absence shall be without pay unless otherwise approved by a subsequent action by the employer.

13. PROBATION PERIODS

- A. Probation periods are recognized as "working test" periods used to supplement other evaluations to determine whether the employee fully meets the qualifications of the class. Probation periods are required in all cases of initial certified hire, transfer and promotions in the classified service and other cases as provided in the Human Resources Department Rules.
- B. The Association shall represent probationary employees for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment except for suspension, reversion, or separation of employees for other than Association activities.
- C. The probation period or "working test" for a six (6) month period shall be served by all employees promoted, hired or transferred into classifications represented by this bargaining unit. (see Schedule A)

- D. Except in instances where a discharge for cause is appropriate, an unsatisfactory employee who has classified status may, by departmental action, subject to the Human Resources Department Rules, have his/her probation period extended or be reverted to his/her former classification. During an employee's initial hire probation period, a department may, in accordance with the Human Resources Department Rules, extend the probation period or take action to discharge the employee. The probationary period shall be accumulated within not more than one (1) year from date of appointment.
- E. When an employee satisfactorily completes the probation period, he/she shall be entered on the Seniority List of the bargaining unit for the classification in which he/she is employed.

14. PROMOTIONS

Promotions to classifications in the unit to which this Agreement applies shall be made on the basis of merit, ability, training, experience and seniority of employees meeting the requirements for the classification. No employee shall be considered for promotion to the next highest classification in a series covered by this Agreement until that employee has at least one (1) year in grade in the preceding classification in that series.

In the event an employee believes he/she should have been promoted he/she shall be entitled, at his/her request, to a conference with his/her immediate supervisor and the Division Head.

15. OUT-OF-CLASS

I. OUT-OF-CLASS ASSIGNMENTS

Employees are to be assigned job duties and responsibilities which are appropriate to their classification. An employee shall not be assigned to perform work which falls outside of his/her classification except in cases of emergency or other situations resulting from factors beyond the control of management which cannot be anticipated or planned for in the normal course of departmental operations and where such assignment is necessary to effectively carry out departmental operations. It is understood by the parties that every incidental duty connected with operations enumerated in class specifications is not always specifically described.

When an employee is assigned to perform work clearly outside of his/her classification or is assigned and given responsibility to perform the preponderance of duties regularly performed by another employee in a higher class for more than five (5) consecutive work days, the employee so assigned shall be compensated in the appropriate class thereafter.

If an employee believes that his/her regularly assigned set of duties and responsibilities are not properly allocated to his/her current title, the employee or his/her bargaining agent may request the Classification/Compensation Section of the Human Resources Department to conduct a classification survey of the employee's job as provided in the Human Resources Department Rules.

II. **TEMPORARY PLACEMENT OF EMPLOYEES INTO OTHER DUTIES AND/OR DEPARTMENTS**

- A. The employer may temporarily place an employee into other duties/departments once per year. The employer shall first seek volunteers and if additional employees are required, the employee(s) may be placed by inverse seniority.
- B. Such a temporary placement, if made by inverse seniority, shall be limited to forty-five (45) days. An employee that volunteered for such a temporary placement may continue in the placement beyond the forty-five (45) day limit until such time that the employee or the City requests the placement to be ended.
- C. Employees temporarily placed under these provisions shall not be required to perform work out of their class, except that the provisions for out-of-class assignments shall be available for operation in these cases of temporary placement, provided that out-of-class opportunities at the transferred-in location must be preserved and first made as available to any qualified employee regularly assigned at the transferred-in location. Regardless, if the work performed at the transferred-in location is an upgrade, the subject temporarily placed employee shall be paid the out-of-class rate.
- D. Employees temporarily placed under these provisions shall not lose his/her promotional opportunity at the transferred-out location and shall be treated as if he/she had not been temporarily placed in other duties/departments.
- E. The union at the transferred-out and transferred-in locations shall be notified of the proposed move and the reasons therefore, at least thirty (30) days before the planned placement. The City will consider any union responses to its originally planned placement(s) for the possibility of choosing to modify said plans.
- F. Any vacation period the moved employee had approved at the transferred-in location will continue to be honored at the transferred-out location.

16. REDUCTION IN FORCE

The City reserves the right to layoff for lack of work or lack of funds; or the occurrence of conditions beyond the control of the City; or where the continuance of work would be wasteful and unproductive.

SECTION 1 - REDUCTION IN FORCE TERMS DEFINED

- A. A reduction in force is a reduction in the number of employees in a given class in a department of the City for lack of work, lack of funds, or reasons other than the acts or delinquencies of employees.

The expiration of a limited-term certification or change of status shall not be considered a reduction in force.

- B. A layoff due to reduction in force is the removal of an employee from a position in a department and from the classified service of the City of Detroit, subject to the recall rights provided under this Article.
- C. A demotion due to reduction in force is the removal of an employee from a position in a class in a department by change of status to a position in a lower class.
- D. A transfer due to reduction in force is the removal of an employee from a position in a class in a department by change of status to a position in another class, which is at the same level.
- E. A voluntary layoff is a removal of an employee from the classified service of the City of Detroit which is made at the request of and for the convenience of the employee.
- F. Unless otherwise indicated, seniority shall mean total City seniority as determined in accordance with Human Resources Department Rules.
- G. An employee acquires status in the classified service by certification in accordance with Section 6-510 of the City Charter and the Human Resources Department Rules III and IV.
- H. An employee who is certified, promoted, transferred, or demoted to a position in a class on a regular permanent basis or permanent-subject to continuing availability of program funding, acquires permanent status in the class, provided he/she has satisfied all qualification requirements of the class including completion of any required probation period. An employee can have permanent status in only one class at a time.
- I. An employee who is certified, promoted, transferred or demoted to a position in a class only for a specified term or conditional event, or where the certification or status change states that such employment is limited to assignment on a particular project, acquires limited-term status in the class.

SECTION 2 - ORDER AND MANNER OF REDUCTION

Reduction in force shall be by class in a department and shall be made from among all employees in the same class in that department.

Within the department, the following categories of employees shall be removed first:

1. Provisional employees shall be separated by terminating their services; provided, however, that employees provisionally employed in the class who hold permanent status in some other class shall revert to the class in the department from which they were provisionally promoted or transferred.
2. Employees who have not completed their initial probationary period shall be laid off in accordance with their seniority, the least senior employees being laid off first.
3. Employees hired on a limited-term basis shall be laid off in accordance with their seniority, the least senior employee being laid off first.

A. In the event it is necessary to reduce the number of permanent status employees in the class, the order of removal shall be as follows:

1. Employees in the class on a limited-term basis and employees in the class on a permanent basis who have not completed the required probationary period, but who hold permanent status in some other class, shall revert to the class in the department from which they were promoted or transferred. Removal shall be in accordance with their total City seniority, the least senior employee to be removed first.
2. Employees in the class on a permanent basis shall be removed in accordance with their total City seniority, the least senior employee to be removed first. Such employees shall be laid off subject to the following demotion or transfer rights within the department.
 - a. Demotion in Series If the employee is in a class in an occupational series, the employee shall have the right to be demoted to a position in a lower class in the series, provided there are one or more employees in the lower class in the department having less total City seniority. (The least senior employee displaced as a result shall be subject to demotion, transfer or layoff in accordance with applicable provisions of this Article.)

An employee who waives his/her right to demotion to the next lower class in series and is laid off, shall lose all rights to City-wide displacement as provided for in Section 3 and restoration rights as provided for in Paragraph A of Section 4.

- b. **Demotion or Transfer to a Formerly-Held Class:** If the employee has previously held permanent status in another class not in series which is at the same or lower level, the employee may elect demotion or transfer to such class, provided there are one or more employees in the class in the department having less total City seniority. (The least senior employee displaced as a result shall be subject to demotion, transfer or layoff in accordance with applicable provisions of this Article.)

An election to accept a demotion or transfer to a formerly-held class is optional for employees who also have a right to a demotion in series.

- c. **Change of Status to Vacant Positions in Other Classes:** If the employee has exhausted his/her rights to demotion or transfer under (a) and (b) above, the department may, in so far as the interests of the service permits, propose transfer or demotion of the employee to an available vacant position in any other class in the department for which the department believes the employee is qualified. Such proposed change of status shall be subject to the approval of the Human Resources Director.

SECTION 3 - CITY WIDE DISPLACEMENT

Employees with permanent status who have been laid off in a class from a City department shall displace employees of the same classification in those categories listed in Paragraph A of Section 2 on a City-wide basis. In addition, laid off permanent employees who have one or more years

of classified service shall displace other permanent employees in the same classification of lesser seniority on a City-wide basis. Employees who fail to exhaust their eligibility for demotion to the next lower class in series in their department shall lose their eligibility for City-wide displacement. (Least senior employees displaced under this section shall be subject to demotion, transfer or layoff in accordance with applicable provisions of this Article.)

Employees with permanent status who have been demoted to a lower classification due to reduction in force shall displace employees in the class from which they were demoted in those categories listed in Paragraph A of Section 2 on a City-wide basis. In addition, such demoted permanent employees who have one or more years of classified service shall displace other permanent employees in the class from which they were demoted of lesser seniority on a City-wide basis.

Displacement of lesser seniority employees across departmental lines shall be accomplished by layoff and displacement certification and shall coincide with the effective date of the layoff, if possible, but in any event within sixty (60) days of the effective date of layoff of employees having displacement rights.

SECTION 4 - RE-EMPLOYMENT PROCEDURES

- A. Employees with permanent status in the class who were laid off, demoted, transferred, or laid off and certified to a lower class as a result of a reduction in force shall have their names maintained in order of their total City seniority on a special register ("blocking list") in the Human Resources Department. Such employees shall be entitled to recertification, promotion or transfer from the register to any vacancy in the class from which they were demoted, transferred or laid off, or any lower class in the same series in any City department, before any such vacancy can be filled by certification, promotion, or transfer.

An employee's name shall remain on the special register until he/she is restored to the classification (or equivalent level) from which he/she was demoted, transferred or laid off, or waives an offer of such restoration.

- B. Laid off employees who elect layoff in lieu of demotion in series shall be placed on the preferred eligible list for the class in which they were laid off and shall be recertified to available vacancies in this class in the order of their total City seniority from the list.
- C. Laid off employees shall be placed on preferred eligible lists for all other classes in which they have held permanent status and shall be offered certification to available vacancies in these classes in the order of their total City seniority from such lists, provided that employees who were laid off in such classes have been first recalled. Should a laid off employee on a preferred eligible list waive an offer of employment to a position in the class, his/her right to remain on that list shall terminate.
- D. In the absence of a preferred eligible list for a class, laid off employees shall be certified to requisitions for positions in such class from higher, equivalent or allied lists which have been determined to be appropriate by the Human Resources Director.
- E. Reemployment provisions in this Article do not apply to persons laid off and separated from City employment for a period of four (4) years.

SECTION 5 - EFFECT OF JURISDICTIONAL LINES

The order of lay off, demotion and re-employment shall not be altered by bargaining unit jurisdictional lines and employees shall carry their total City seniority across jurisdictional lines for reduction in force purposes.

SECTION 6 - EMPLOYEES HOLDING MULTIPLE TITLES

In determining an employee's rights under this Article, an employee can have permanent status in only one class at a time. An employee who carries a multiple title shall have permanent status in the lowest class of his/her multiple title or the class in which he/she last held permanent status on a single title basis, unless there is a contractual agreement which otherwise identifies the class in which the employee has permanent status, or official action is taken designating such class based upon the nature and history of the employment. Such agreement or official action must be completed at least ninety (90) days prior to the announcement of the reduction in force.

SECTION 7 - CONDITIONAL WAIVER OF EMPLOYEE RIGHTS

Where the City anticipates that a reduction in force will not exceed thirty (30) days, an employee in a class subject to reduction in force and his/her employing department may agree to a conditional waiver of the employee's seniority rights for a specified period not to exceed thirty (30) days. This conditional waiver must be in writing and be approved by the Human Resources Director. It is recognized that an out-of-seniority lay off resulting from such waiver is for the benefit of the City and the employee retains the right to exercise all rights to restoration, demotion, transfer and displacement at the end of the specified period.

SECTION 8 - PREEMPTIVE LAY OFF REQUESTS

If a reduction in force in a department is imminent or taking place over an extended period of time, any employee who has been identified as being subject to layoff, may request in writing that he/she be laid off prior to the date when he/she would be reached for such layoff. Such request is subject to approval of the employing department and the Human Resources Director.

Employees who are granted an effective date of layoff earlier than the scheduled layoff date shall retain the same rights which they would have had they been laid off as scheduled.

SECTION 9 - STATUS CHANGES IN ANTICIPATION OF LAYOFFS

Where the Human Resources Department shall find that any status change was made either to avoid the layoff of or to cause the layoff of any employee, upon finding by the Human Resources Director that such status change was made for reasons other than the good of the service, such status change shall be set aside and proper layoff made; provided, however, this section shall not apply to status changes of more than six (6) months standing.

17. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

- A. The City and the Association agree to cooperate in a policy of equal opportunity for all employees, to continue to prohibit discrimination because of race, color, creed, national origin, age, political orientation, sex, sexual orientation, or disability and to promote a full realization of equal employment opportunity through a positive and continuing effort.

- B. The City and the Association recognize the provision of the City Charter which mandates the City's Human Resources Department to take affirmative action, as required by the constitutions of Michigan and the United States, to assure that all levels of the classified service are reasonably representative of the ethnic and sex composition of the City.

In accordance with this provision, the City agrees:

1. To periodically provide the Association with statistical information concerning the composition of the City's work force and reports concerning policies and programs for achieving equal opportunity in employment.
2. To make available representatives of the Human Resources Department to meet with representatives of the Association to exchange information and discuss Affirmative Action activities.

18. COOPERATION IN VALIDATION STUDIES

- A. The City and the Association recognize the need for and the responsibility of the Human Resources Department in taking steps to insure that written tests and other selection devices and procedures used in selecting persons for positions in City service be validated, i.e., that such devices and procedures be shown to be predictive of, or significantly related to, important elements of work behavior of the position or positions for which applicants are being evaluated.
- B. The Human Resources Department agrees to inform the Association of all validation studies and projects directed toward development of validated tests in which the Association or Association members are asked to participate and, upon request, to meet the Association representatives to discuss any aspects of such studies or projects.
- C. The Association agrees to cooperate and provide assistance in validation studies and test development projects conducted by the Human Resources Department, and to use its good offices to secure the cooperation and participation of Association members in such studies or projects.

19. VETERANS-RESERVES-EDUCATION

Nothing in this Agreement shall abridge the rights and preferences of veterans and members of the armed forces reserves, as provided by Federal, State, and Local Laws, Rules and Resolutions.

20. WAGES

A. GENERAL WAGE INCREASES:

1. Effective July 1, 2005 0%
2. Effective July 1, 2006 0% See MOU RE: Wage Concessions
3. Effective July 1, 2007 0%
4. Effective June 30, 2008, 11:59 p.m. 4% No retroactive amounts shall be attributable to any period between July 1, 2005 and June 30, 2008.

B. Each employee covered by this Agreement whose minimum and maximum rates are over \$20,000 per year, shall, if these rates fall between even hundred dollar levels, have these rates adjusted to the next higher hundred dollar level.

C. All salaried employees will have their hourly rate computed by dividing their annual salary by 2080 hours.

D. Deferred Compensation Plan: Employees shall be eligible for a Deferred Compensation Plan made available by the City. Participation in the plan shall be optional with each employee.

E. The basic step increment schedule for salary classifications shall be five percent (5%) of the employee's salary as of the date the increment is normally paid, not to exceed the maximum rate for the classification.

Half steps shall be two and one-half percent (2½%)

F. Employees promoted from classes where the maximum of the old class is greater than the minimum of the new class, shall be entitled to a pay increase of two annual steps not to exceed the maximum of the new class.

G. Employee benefits for those employees' sixty-five (65) years of age and older may be modified as permitted by law, but shall not result in any additional cost to the employee, (e.g. coordination of Medicare/Medicaid coverage with City hospitalization coverage).

21. HOLIDAYS AND EXCUSED TIME OFF

A. Employees shall be entitled to the following seven (7) holidays: New Year's Day, Martin Luther King's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Employees shall be entitled to three (3) swing holidays in each fiscal year. New employees shall be entitled to the first swing holiday after ninety (90) calendar days and the second swing holiday after one hundred and eighty (180) calendar days and the third swing holiday after two hundred and seventy (270) calendar days.

- B. Employees shall receive eight (8) hours straight time pay for the above mentioned holidays. Where a holiday is concurrent with the employee's sixth or seventh work day, the Department Head shall have the option of paying for the holiday or granting equivalent time off with pay. When the City elects to give the employee time off, said time shall be granted at the request of the employee with the approval of the Department Head.
- C. An employee shall be eligible for Holiday Pay or Excused Time Day Pay provided he/she shall have received at least eight (8) hours of pay exclusive of overtime in the calendar week prior to, during or after the holiday or excused time day; provided the employee continues on the payroll through the holiday or excused time day in question and would otherwise be qualified for the holiday or excused time day.

For the purpose of this section, an employee shall be considered off the payroll if he/she is fired, quits, is on workers' compensation, is on a formal leave of absence granted by the Human Resources Department (generally over 30 days) or laid off. An employee's payroll status not covered by the above shall be subject to a Special Conference. Criteria to be used to determine payroll status will be if the absence of the employee shall be for more than thirty (30) days.

- D. If an employee is absent without just cause on a holiday or excused time day on which he/she is scheduled to work, he/she shall receive no pay for the holiday.
- E. Double time will be paid for all hours worked on a holiday in addition to the straight time holiday pay due for a holiday as such.
- F. Premium payments shall not be duplicated for the same hours worked.
- G. Employees shall be granted eight (8) hours of "Excused Time" on Good Friday or eight (8) hours on the last scheduled paid day prior to Good Friday, and eight (8) hours of "Excused Time" on the last scheduled paid day before Christmas Day and before New Year's Day, for Veteran's Day, and the day after Thanksgiving, and Election Day as designated by the City Council, or an additional Swing Holiday in the event there is no designated Election Day, provided they are on the payroll through the excused time day in question. Employees required to work any portion of the "Excused Time" on these days will receive either equal time off for hours worked or additional pay at straight time for such hours at the option of the Department Head. No holiday premium will be paid for work on these days. When an employee is absent without good cause for the non-excused portion of the day, he/she shall forfeit this excused time for the day.
- H. For the purpose of this Article, an employee shall be considered off the payroll if he/she engages in a work stoppage, which extends through a holiday or excused time day. All benefits under this Article will be forfeited for the holiday or excused time in question.
- I. If a Holiday or Excused Time Day falls on Saturday it shall be observed on the preceding Friday, and if a Holiday or Excused Time Day falls on Sunday it shall be observed on the following Monday for all employees except those assigned to six and seven day operations. Should two (2) consecutive Holidays or Excused Time Days occur on a Friday and Saturday, or on a Sunday and Monday, Friday and Monday, respectively, shall be designated as the official Holidays.

- J. If an employee engaged in six or seven day operations works either the actual calendar holiday or the substitute holiday, he/she shall receive the holiday premium, but he/she will not be allowed to pyramid holiday premium for working both days.
1. An employee assigned to a six or seven day operation may be scheduled off for the holiday on either the calendar holiday or the substitute holiday.
 2. When an employee works both the calendar holiday and the substitute holiday, the day selected as a holiday for pay purposes shall be the day which allows the employee the maximum pay credit for working both days.
 3. If an employee works either the calendar holiday or the substitute holiday, or both, he/she shall be paid holiday premium for the day worked.
 4. If an employee is off sick on the calendar holiday, or the substitute holiday, or both, he/she shall receive holiday pay in lieu of sick pay on one of the two (2) days. If he/she works either of the two (2) days he/she shall receive holiday premium.
 5. If an employee is AWOL on the actual calendar holiday, but works the substitute holiday, he/she shall not be entitled to holiday pay or holiday premium.
- A. The City shall have the option to close all or part of its facilities for the Christmas and New Year's holiday season consistent with operating needs and the public service. Employees shall have the option of using vacation, swing holidays, compensatory time or no-pay for any days off during this period. If an employee has none of the above listed accrued time, departmental leave may be used if available. If an employee has no paid time accrued, and wishes to work, the City will make every attempt to place an employee in his/her department on a job assignment consistent with their job classification and ability to perform the work.

In the event a department requires additional personnel during the period, the Human Resources Department will be so advised. Employees who are without accrued time and are desirous of working during the period will contact their department Human Resources Manager/Consultant for available placement in another department.

The optional holiday season closing dates during the period of this agreement shall be:

December 27, 28, 29, 2005

December 26, 27, 28, 2006

December 26, 27, 28, 2007

Any scheduled time off or uses of department leave days during these periods shall not be counted against the employees' attendance records nor (except for bonus vacation) adversely affect their benefits.

- B. The Holiday Schedule during the term of this Agreement is set forth in Schedule B.

22. FUNERAL LEAVE

- A. If a death occurs among members of the employee's immediate family or household, the employee, provided he/she attends the funeral or memorial service, will be granted three (3) days leave not to be charged to sick leave; provided that such leave will be extended to five (5) days if the funeral or memorial service which the employee attends is more than 300 miles from the City of Detroit. When an employee is entitled to three (3) days leave under this provision, and the funeral or memorial service is within 300 miles of Detroit, he/she shall be granted two (2) days to be charged against current sick leave and then reserve sick leave upon his/her request.
- B. **Definition of Immediate Family:** The immediate family is defined as wife, husband, son, daughter, brother, sister, father, mother, step-father, and step-mother, step-son, step-daughter, grandmother and grandfather.
- C. If a death occurs among the relatives of the employee, the employee will be granted one (1) day leave, not to be charged to sick leave provided he/she attends the funeral. If the funeral or memorial service which the employee attends is more than 300 miles from the City of Detroit, the employee may extend the leave by two (2) days to be charged against current sick leave and then reserve sick leave upon his/her request.
- D. **Definition of Relatives:** Relatives are defined as grandson, granddaughter, brother-in-law, sister-in-law, uncle, aunt, mother-in-law, and father-in-law.
- E. The Association President or his/her designee, with proper notification to the department head, shall be allowed one (1) funeral day, not to be charged to sick leave, in order to attend the funeral of a City employee who was a member of his/her Association on the day prior to his/her death.

23. UNEMPLOYMENT COMPENSATION - SUPPLEMENTAL UNEMPLOYMENT BENEFITS

A. **UNEMPLOYMENT COMPENSATION:**

Employees covered by this Agreement shall receive unemployment benefits in accordance with the unemployment insurance plan administered by the Michigan Unemployment Insurance Agency (MUIA) under the Michigan Employment Security Act.

B. **SUPPLEMENTAL UNEMPLOYMENT PLAN:**

Subject to all of the following rules and qualifications, employees shall be entitled to Supplemental Unemployment Benefits.(S.U.B.)

Section 1. Application for Supplemental Unemployment Benefits.

No employee shall be eligible for S.U.B. unless and until he/she shall have made due application therefore in accordance with the procedure established by the City and shall have met the eligibility requirements of Section 2 of this article. Such an employee shall be considered as an applicant.

Section 2.

An applicant shall be eligible for S.U.B. only if he/she is on layoff from the City with respect to the week for which application is made, and he/she did not work for another employer during such week, and if:

- a) such layoff:
 1. was from the Bargaining Unit;
 2. occurred in a reduction in force;
 3. was not for disciplinary reasons and was not a consequence of (i) any strike, slowdown, work stoppage, picketing (whether by his/her bargaining unit or any other), or concerted action, or any dispute of any kind involving City employees, or (ii) any fault attributable to the applicant, or (iii) any war or hostile act of a foreign power (but not government controls or regulation connected therewith), or (iv) sabotage or insurrection, or (v) any act of God and
 4. was not self elected.

- b) with respect to such week, the applicant:
 1. had sufficient seniority to be eligible for one week's benefit,
 2. has registered at and has reported to an employment office of the Michigan Unemployment Insurance Agency as required by the MUIA;
 3. has received unemployment compensation from MUIA not currently under protest;
 4. has not refused to accept work when recalled pursuant to the Collective Bargaining Agreement and has not refused an offer by the City of other available work which the applicant has no option to refuse under the Collective Bargaining Agreement;
 5. has not failed to report for interview within five (5) working days after notice of recall from the City;
 6. has not failed through any fault of his/her own to report for hire at the employing department within five (5) working days after certification.
 7. was not eligible for and was not claiming any accident or sickness or other disability benefit (other than a disability benefit which would be payable to the applicant whether he/she was working full time or not or a survivor's allowance under Workers' Compensation laws), whether publicly or privately financed, or a pension or retirement benefit financed in whole or in part by the City;
 8. was not in military service;
 9. did not receive any unemployment benefit from, or under any contract plan or arrangement of, any other employer, and he/she was not eligible for such a benefit from, or under any contract, plan or arrangement of, any employer with whom he/she has greater seniority than with the City;
 10. must have been on continuous layoff from the City for 30 consecutive calendar days; whereupon he/she will be eligible retroactively for benefits commencing after the second week of layoff;
 11. must not be on layoff from a classification designated as special service, limited term, part-time, provisional, contractual, limited status, or for which the duration of employment is listed as seasonal;
 12. must have at least eighteen (18) months total City seniority;

- c) an employee shall forfeit permanently all eligibility for S.U.B. if he/she shall misrepresent any material fact in connection with an application by him/her for any S.U.B. or other unemployment compensation. Furthermore, he/she shall be subject to disciplinary action upon his/her return to active status.

Section 3. Powers and authority of the City:

The City shall have such powers and authority as are necessary and appropriate in order to carry out its duties under this Article, including without limitation the following:

1. to obtain from employees, persons filing applications for benefits, eligible persons and elsewhere such information as the City shall deem necessary in order to carry out its duties under this article;
2. to investigate the correctness and validity of information furnished by any person who applies for a benefit;
3. to make appropriate determinations pursuant to this article;
4. to require an applicant to exhibit his/her MUIA Unemployment Benefit check for the week with respect to which application for S.U.B. is made, or to submit evidence satisfactory to the City of receipt or entitlement to receive a MUIA unemployment benefit.

Section 4. Amount of Weekly Supplement Benefit:

An applicant who meets all the eligibility requirements of this article shall be entitled to a weekly Supplemental Unemployment Benefit in the amount of forty-five (\$45.00) dollars.

Section 5. Duration of Supplemental Benefit:

An eligible applicant shall be entitled to one week of S.U.B. for every month of total City seniority, not to exceed in any case a maximum of twenty-six (26) weeks duration for any continuous layoff.

Section 6. Offset for Back Wages

All compensation received under this Article shall be offset against any claim for back wages.

24. HOSPITALIZATION, MEDICAL, DENTAL AND OPTICAL CARE INSURANCE

The parties have reached an agreement with regard to health care plan changes in accordance with the MOU RE: Alternative Health Care Plan. However, the hospitalization, medical, dental, and optical care benefits existing as of June 30, 2005 will be maintained until the new health care design changes are implemented. That implementation date is to occur on or after July 1, 2006.

- A. The City shall continue to provide hospitalization and medical insurance based on the Blue Cross/Blue Shield ward service rate under the Michigan Variable Fee Coverage (MVF-2) and the Prescription Drug Group Benefit Certificate with two dollar (\$2) co-pay (Certificate #87), known as the two dollar (\$2) deductible Drug Rider for employees and their legal dependents, duty disability retirees and their legal dependents, and duty death beneficiaries and their legal dependents, as provided by Chapter 13, Article 8 of the Municipal Code of the City of Detroit. Effective July 1, 2006, the co-pay for the Prescription Drug benefit was increased to \$5 for generic and \$15 for brand name.

- B. The City's contribution for the cost of hospitalization on a monthly basis shall be as follows:

Single person	\$100.06
Two person	\$238.29
Family	\$253.54

Fifty percent of any premium charges that exceed the above amounts will be paid by the employees and fifty percent shall be paid by the employer. When the City's payroll system has the capability of allowing employees to pay these amounts through the pre-tax IRS Code 125K mechanism, all bargaining unit members shall be entitled to participate.

- C. Employees who wish to insure sponsored dependents shall pay the premium cost of this coverage.
- D. The City will provide regular retirees and their spouses hospitalization and medical insurance based on the Blue Cross/Blue Shield ward service under the Michigan Variable Fee coverage (MVF-2) and the Prescription Drug Group Benefit Certificate with two dollar (\$2) co-pay (Certificate #87) known as the two dollar (\$2) deductible Drug Rider as provided by City Council in the 1977-78 Closing Resolution. The City will pay this premium for regular retirees and their spouses for only as long as they receive a pension from the City. For employees who retire (except for vested retirees) on or after July 1, 2006, the co-pay for the Prescription Drug benefit was increased to \$5 for generic and \$15 for brand name.

For persons who retire (except for vested retirees) on or after July 1, 1986, the City will pay the following amounts per month for hospitalization and medical insurance:

Single person	\$100.06
Two person	\$238.29

Fifty percent of any increase over these amounts will be paid by the retiree and fifty percent (50%) shall be paid by the City. The City will pay this premium for regular retirees and their spouses only for as long as they receive a pension from the City.

- E. The City Blue Cross hospitalization plan for active employees and their dependents and retirees and their spouses shall include Blue Cross Master Medical insurance with a twenty percent (20%) co-pay benefit and a fifty dollar (\$50) per person annual deductible (\$100 for two or more in a family).
- F. Employees and retirees shall have the option of choosing alternative hospitalization medical coverage from any plan or program made available by the City. The City's contribution to the alternative plans or programs shall be limited to the premium cost for the level of benefits provided in Paragraphs B and D, as applicable. If at the end of any fiscal year an alternative hospitalization plan or program has failed to enroll 50 employees city-wide, the City shall have the option of removing that plan from the list of eligible plans or programs. Effective with the 1987-88 fiscal year, all alternate carriers must account for their premium charges without distinguishing between active and retired employees using the following format:

**Single Person
Two Persons
Family**

- G. The City shall provide for all active employees and their dependents, and duty disability retirees and their dependents, a Dental Plan which shall be equivalent to the Blue Cross/Blue Shield program which provides Class I benefits on a 25% co-pay basis and Class II and III benefits on a 50% co-pay basis. Classes I, II, and III benefits shall not exceed \$1,000 per person per year. In addition, Orthodontic coverage shall be on a 50% co-pay basis with a \$1,000 life time maximum. Other terms and conditions regarding these plans shall be in accordance with the standard Blue Cross/Blue Shield policies regarding administration of such programs.

The City will make available cost effective alternative dental plans.

Coverage for new hires shall begin on the first of the month following the employee completing six months of service. Coverage ends on the last day of the month that employment ends.

- H. The City will provide Optical Care Insurance through the Employee Benefit Board, such benefit will include case hardened lenses. Effective July 1, 2005 through June 30, 2006 the City will contribute \$6.42 per month for employees covered by CO/OP Optical and \$6.27 per month for employees covered by Heritage Optical. Optical care enrollments will occur at two (2) year intervals.

Coverage for new hires shall begin on the first of the month following 60 days of service. Coverage ends on the last day of the month that employment ends.

If, during the term of this Agreement, a Federal Health Care Law is enacted, the parties shall enter into immediate collective bargaining negotiations over the impact of such a law on the existing arrangements for funding and providing health care benefits.

- I. No insurance carrier shall be allowed to underwrite City Health Care Benefits unless it offers coordination of benefits. All carriers will be required to provide group specific utilization and cost data as a condition of doing business with the City. Copies of all information will be provided to Association and City representatives as directed.
- J. The City reserves the right to implement health care cost containment programs during the term of the Contract. Said cost containment program shall not diminish the levels of benefits provided in the basic plans but may require the insured to follow procedures prescribed by the carrier in order to be eligible for benefits. If premium levels remain below the 1982-83 base year premiums for coverage listed in paragraph B, the City will pay fifty percent (50%) of that amount to an escrow account which shall be used to offset health care costs or to increase health care benefits.
- K. Employees on the active payroll who are covered by a health care plan offered by an employer other than the City, and can furnish proof of such coverage, may elect to take a \$950 cash payment, payable monthly, in lieu of the hospitalization-medical coverage offered by the City. This election shall take place annually during the open enrollment period.

- L. Once an employee elects the cash payment, the employee will not receive hospitalization-medical coverage until the next year's enrollment period. If the employee loses his eligibility for the alternate coverage, the employee, upon submitting appropriate proof of loss of coverage, will be able to resume the City's hospitalization-medical coverage the month following completion of the applicable enrollment forms. The cash payments will cease upon the employee resuming the City's hospitalization-medical coverage.

The City shall have the sole discretion to offer this opt-out provision to current and future retirees who are eligible for the City's hospitalization-medical coverage. This discretion shall extend to the determination of the amount of the cash payment, the method of payment, the eligibility requirements, and the continuance of the opt-out plan itself.

25. DEATH BENEFITS AND LIFE INSURANCE

A. DEATH BENEFITS

Death benefits for all regular City employees are authorized by the City Charter, Title IX, Chapter VIII. The City Code, Chapter 13, Article 8, currently provides a death benefit of \$10,000.

1. MEMBERSHIP

Mandatory for regular employees.

2. CONTRIBUTIONS

By the City - \$13.30 per year per employee.

By the employee .20¢ per week or \$10.40 per year.

If during the term of this Agreement, the Employee Benefit Board approves an increase in the death benefit eligible for payment to members of the plan, the parties agree that this increased benefit will be applicable to employees covered by this Agreement.

B. Payment for employees killed or permanently disabled in line of duty:

1. A lump sum duty death benefit of \$10,000 will be paid to the beneficiaries or estate of employees who are killed or who die as a direct result of injuries sustained in the actual performance of their duties.
2. A lump sum payment of \$10,000 will be made to any employee who is totally and permanently disabled from illness or injury arising solely out of the actual performance of their duties. "Totally and permanently disabled" shall be defined exclusively as follows:
 - a. Total and permanent loss of sight of both eyes.
 - b. Loss of both legs or both feet at/or above the ankle.
 - c. Loss of both arms or both hands at/or above the wrist.
 - d. Loss of any two of the members or facilities enumerated in (a), (b), (c).
 - e. Permanent and complete paralysis of both legs or both arms or one leg and one arm.
 - f. Incurable insanity or imbecility.

A claimant to benefits under this Paragraph shall have the right to present any written information in support of the claim which shall become part of the records reviewed by the physician appointed by the Finance Director and the Medical Board of Inquiry, should a Board of Inquiry be formed.

The Finance Director shall appoint a physician who shall examine the medical records and findings and with respect to rights of claimants the physician may also personally examine the claimant. Said physician shall within sixty (60) days of appointment file a written report regarding his medical findings which report shall include a recommendation as to whether or not the claimant is entitled to the benefits.

Should either the claimant or the Finance Director disagree with the medical findings of the physician so appointed and the claim for benefits is denied, the claimant or the Finance Director must so indicate to the other in writing the demand for a Medical Board of Inquiry.

The Medical Board of Inquiry shall consist of three physicians or surgeons appointed by the Wayne County Medical Society. The Medical Board of Inquiry shall examine all medical findings and within sixty (60) days of its formation shall file with Finance Director written report of its findings, which as to the benefits provided herein shall be final and binding as to the medical finding. The Finance Director shall pay the fees of the physician named by him and the fees of any Medical Board of Inquiry formed.

3. Employees who receive a permanent disability payment under this Article shall be ineligible for the \$10,000 Duty Death Benefit described in Section B-1 above.

C. GROUP LIFE INSURANCE:

A group life insurance program for the employee and his family is available for all members of the Employees Benefit Plan on an optional basis, under the provisions of the City Code, Chapter 13, Article 9.

1. **Membership** - Optional for members of the Employees Benefit Plan.
2. **Contributions** - The City shall pay approximately sixty percent (60%) of the premium for insurance up to and including \$12,500. The employee shall pay forty percent (40%) of the premium for insurance up to and including \$12,500. The employee shall pay the full cost of any insurance in excess of \$12,500.
3. **Benefits**- Employees:

<u>Yearly Pay</u>	<u>Amount of Insurance</u>
Under \$5,000	\$3,750
\$5,000 to \$7,500	\$6,250
\$7,500 to \$10,000	\$9,375
Over \$10,000	\$12,500

4. **Benefits - Dependents:**

Cost of Employee

.70¢ per week

Amount of Insurance

\$5,000 each dependent

D. **ADDITIONAL INSURANCE:**

1. Employees will be able to purchase insurance which is approximately equal to their annual salary or they may choose to purchase insurance which is approximately equal to two times their annual salaries in accordance with the following:

<u>Yearly Pay</u>	<u>Amount of Insurance</u>	<u>Amount of Insurance</u>
	<u>Option 1</u>	<u>Option 2</u>
\$12,500 to \$15,000	\$15,500	\$30,000
\$15,000 to \$17,500	\$17,500	\$35,000
\$17,500 to \$20,000	\$20,000	\$40,000
\$20,000 to \$22,500	\$22,500	\$45,000
\$22,500 to \$25,000	\$25,000	\$50,000
\$25,000 to \$27,500	\$27,500	\$55,000
\$27,500 to \$30,000	\$30,000	\$60,000
\$30,000 to \$32,500	\$32,500	\$65,000
\$32,500 and above	\$35,000	\$70,000
And so forth in	And so forth in	And so forth in
\$2,500 Increments	\$2,500 Increments	\$5,000 Increments

2. Subject to the agreement of and conditions determined by the current life insurance carrier, retirees shall have the option of converting all or part of their group life insurance to a life insurance policy at their own expense. Also, to the above conditions, employees who resign may continue their current coverage at their own expense. For retirees who elect to retain this coverage, the City shall deduct the premiums from their retirement checks on a monthly basis.

26. JURY DUTY

- A. An employee who serves on jury duty will be paid the difference between his/her pay for jury duty and his/her regular pay for all days he/she is required to serve on jury duty.
- B. In the event that an employee reports for jury duty but does not actually serve on a jury, he/she will be paid the difference between the jury pay received and his/her regular days pay and be excused for the day.
- C. In order to receive payment for jury duty supplementation, an employee must have been regularly scheduled to work on a non-overtime basis, must give reasonably prompt prior notice to his/her supervisor that he/she reported for or performed jury duty on the days for which he/she claims such payment, provided that the department head shall have discretion in seeking to have the employee excused where his/her services are essential.

The jury duty supplementation shall not apply to special service, contractual, temporary or other employees with less than one year of seniority.

- D. When properly notified by an employee under the terms of Section C, the department shall, if necessary, reschedule the work assignment of the employee so as to coincide as closely as possible with the jury duty schedule. This reassignment shall take precedence over other conflicting sections of this contract.
- E. Employees shall have the option when called to jury duty to use vacation or compensatory time for such service. In that event, the employee will not be required to turn in his/her jury pay. However, the employee must notify the department of his/her desire to exercise this option prior to the first date of jury service.
- F. Jury Duty shall be considered as time worked.
- G. An employee on Jury Duty will be continued on the payroll and be paid at his/her straight time hourly rate for his/her normally scheduled hours of work. Upon return from jury duty, the City will deduct the amount received from such jury duty, less any mileage allowance paid for the jury service, from the employee's pay.

27. RETIREMENT PROVISIONS

- A. Eligibility for Service Retirement Allowance - Any employee who is covered by the provisions of this Agreement and who is a member of the General Retirement System of the City of Detroit who has thirty (30) or more years of credited service may retire upon his/her written application filed with the Board of Trustees setting forth the date, which shall not be less than thirty nor more than ninety days, subsequent to the execution and filing of said written application, he/she desires to be retired. On the date so specified for his/her retirement he/she shall be retired, notwithstanding that pending such period of notification he/she may have separated from City service. Upon his/her retirement he/she shall receive a Retirement Allowance as provided by the City Charter and Municipal Code. Employees may retire on or after July 1, 1992, with 25 years of credited service but less than 30 and receive an actuarially reduced pension which shall be known as the Actuarially Reduced 25 Year Option of the Retirement Plan. Employees who are receiving a duty or a non-duty disability pension or Income Protection benefits may elect to convert to this new option if they otherwise meet the qualifications.

The above paragraph notwithstanding, employees hired after January 1, 1996, shall not be eligible for a Service Retirement until they shall have attained fifty-five (55) years of age. The age requirement shall apply to both the Regular Service Retirement with thirty (30) years of service and the Early Service Retirement (actuarially reduced) with twenty-five (25) or more years of service.

Employees who have resigned with 25 or more years of service since July 1, 1992, shall have ninety (90) days to submit an application for this option from the date they are officially notified by the Pension Bureau that said application can be processed.

After the initial enrollment of applicants by the Pension Bureau, employees who subsequently leave City employment shall have ninety (90) days from their last paid date on the City payroll to select this option.

Retirees who began receiving a Duty or Non-Duty Disability Pension after July 1, 1992, may convert to this option no later than ninety (90) days after they would have had twenty-five (25) years with the City and have been notified by the Pension Bureau of the availability of this option.

Employees who began receiving Income Protection Benefits after July 1, 1992, may convert to this option anytime after they have had twenty-five (25) years of service with the City.

- B. Retirement benefits shall be modified to include an optional coordination of benefits between regular retirement benefits and Social Security benefits for those employees who retire from the City with a regular retirement or the Actuarially Reduced 25 Year Option prior to becoming eligible for Social Security payments. Such coordination of benefits shall cause an approximate leveling of total monthly benefits derived from both the City's retirement system and Social Security without creating any additional actuarial costs.
- C. For employees hired on or after July 1, 1980, the vesting provisions of the City Retirement Plan shall require ten (10) years of service regardless of age in lieu of the "40 and 8" age and service requirement.
- D. For employees who separate from City service with a vested pension prior to reaching eligibility for a regular service retirement, time earned after July 1, 1988, shall not be factored into the formula for determining their pension benefit until they shall have attained age 62. This provision will not affect the current practice governing disabled employees.

In the event that any law, state or federal is passed during the term of this Agreement which permits employees to vest their pension prior to meeting the vesting requirements set forth in this contract, any employee who vests his/her pension in such a manner shall not be eligible for any pension benefits until his/her sixty-second (62nd) birthday.

- E. Employees who become eligible for a pension under the vesting provisions of the plan, shall be ineligible for any of the hospital, medical, optical or dental benefits provided for other retirees, spouses, dependents or beneficiaries.
- F. Employee contributions to the general retirement annuity fund shall be optional. Balances in the fund standing to the individual credit of employees discontinuing contribution shall be maintained with accumulated interest to be paid out to the employee upon separation from the City. Employees qualified under the pension vesting provision of the general retirement system may withdraw their annuity with accumulated interest upon separation.

Upon attainment of twenty-five (25) years of service, an employee shall be eligible to withdraw, one time only prior to retirement, all or part of his/her annuity savings.

Non-Duty and Duty Disability Retirees shall be eligible to withdraw, one time only, all or part of their annuity savings.

- G. At the time of retirement, members of the general City pension system may elect an option which shall entitle them to change their pension option from either option 2 or

option 3 to a straight life pension after they have commenced collection of the pension if the member's beneficiary predeceases the member. This shall be known as the Pop-Up Option. The actuarial cost of the change in benefit shall be borne by the member who selects this change in his/her option election.

- H. Employees who retire on or after July 1, 1998, shall have their pensions computed according to the following formula. Using the highest paid 36 consecutive months out of the last 120, including longevity payments, as Average Final Compensation; 1.6% of Average Final Compensation for each year of service for the first 10 years; 1.8% of Average Final Compensation for each year of service greater than 10 years up to 20 years, 2.0% of Average Final Compensation for each year of service greater than 20 years up to 25 years; and 2.2% of Average Final Compensation for each year of service greater than 25 years; plus \$12 for each year of City service not to exceed \$120. In no case shall benefits paid by the Retirement System exceed ninety percent (90%) of Average Final Compensation except in the case where a higher pension amount has been earned in accordance with the provisions in effect prior to July 1, 1992.
- I. Effective for bargaining unit members who retire on or after July 1, 1999, they shall have the option to 1) select the Unused Sick Leave On Retirement payment benefit provided for elsewhere in Article 29 of this labor agreement or 2) chose to receive payment of twenty-five percent of their unused sick time and have that sum included in the average final compensation used to compute the membership service pension portion of their retirement allowance. For any member choosing to exercise this option, the lump sum payment of USLOR will be the remaining value of the eligible unused accrued sick leave banks as provided in Article 29.
- J. Effective January 1, 1999, the maximum annual amount payable to an individual on a Duty Disability pension shall be increased to \$9,000 and for Non-Duty Disability pension to \$6,000.

The maximum amount of the Accidental Death Benefit as found in Chapter VI, Article VI, Part C, Section 1, Paragraphs B and C of the City Charter shall be increased to \$9,000 per annum.

- K. Effective January 1, 1999, minor dependents under age 19 or permanently mentally or physically impaired dependent children who become impaired prior to age 19 of employees who die with 20 years of service without a surviving spouse shall receive a payment of \$9,000 per year which shall be divided equally amongst all eligible dependents. The payment will cease when the last minor attains age 19 or for mentally or physically impaired children at death. There shall be no retirement escalator for this payment.
- L. In addition to in-service death pension benefits which already exist for employees with 20 or more years of service, effective July 1, 1998, if a bargaining unit member dies after having attained 15 or more but less than 20 years of creditable service at any age below 60, the surviving spouse will be paid a 50% joint and survivor election. Dependent children, if there is no eligible surviving spouse, are to be paid a total of \$6,000 which shall be divided equally amongst all eligible dependents until the youngest child reaches age 19, or for life if a child is permanently physically or mentally impaired.

- M. The post retirement escalator factor shall increase from 2.0% to 2.25% of original base pension effective July 1, 1992.
- N. Employees shall have the option of selecting from two additional surviving beneficiary options of 25% and 75%.
- O. Annuity Contribution Amounts: The City will offer to employees who choose to contribute to the annuity plan the option of 3% up to the Social Security maximum salary which would then be increased to 5%, a straight 5%, or a straight 7%.
- P. Members of the bargaining unit shall have the option of belonging to the City's current defined benefit/defined contribution retirement plan or a new defined contribution retirement plan in accordance with the rules the City will issue for a defined contribution plan. The parties agree that the defined contribution plan the Executive Branch will propose for acceptance by the City Council, although not specifically detailed at this time, is intended to be primarily in accordance with the provisions which were last advocated in the Executive Branch in November-December, 1997.
- Q. Effective August 1, 1999, or the earliest date thereafter when all required agreements are reached between the City and other parties, the membership of the General Retirement System, Board of Trustees [Article II, Section 2, Subsection (1)] shall be modified to provide that one of the trustees is: "The Mayor of the City or his/her designated representative, ex-officio. Such designated person shall be a full time appointive or classified City employee."
- R. All Retirement and Pension Plan Provisions provided for by the City Charter and Municipal Code are incorporated herein by referral unless otherwise specifically modified by this Agreement and Ordinance 2-93, J.C.C. Page 133.

28. SICK LEAVE

- A. All employees who shall have completed three (3) months of continuous service shall be granted one (1) day of sick leave for every service month in which they have worked eighty percent (80%) of their scheduled hours, not to exceed twelve (12) sick leave days in any one fiscal year. Sick leave earned after July 1, 1971 may accumulate without limitation. These days shall be known as current sick leave and shall be kept in the Current Sick Leave Bank.

All employees must be on the payroll for the entire month to be credited with sick leave.

- B. Reserve sick leave of five (5) service days shall be granted on July 1 to each employee who was on the payroll the preceding July 1 and who has earned at least sixteen hundred (1600) hours of straight time pay during the fiscal year. Reserve sick leave shall be kept in the Reserve Sick Leave Bank.
- C. Sick leave may not be granted in anticipation of future service.

- D. Sick leave balances shall be expressed in terms of hours and shall be posted on the employee's check stub.
- E. Employees who have accumulated a total of fifty (50) or more unused sick leave on July 1, shall receive up to six (6) bonus vacation days based upon their sick leave usage in the previous fiscal year. Such time shall be credited according to the following table:

<u>Sick Leave Days Used In Previous Fiscal Year</u>	<u>Bonus Vacation Days To Be Credited on July 1</u>
0	6
½ or 1 day	5 ½
1 ½ or 2	5
2 ½ or 3	4 ½
3 ½ or 4	4
4 ½ or 5	3 ½
5 ½ or 6	3
6 ½ or 7	2 ½
7 ½ or 8	2
8 ½ or 9	1 ½
9 ½ or 10	1
10 ½ or 11	½
11 ½ or more	0

- F. Employees who have accumulated a total of at least twenty-five (25) but less than fifty (50) or more unused sick days on July 1 shall receive up to three (3) bonus vacation days based upon their sick leave usage in the previous fiscal year. Such time shall be credited according to the following table:

<u>Total Sick Leave Days Used In Previous Fiscal Year</u>	<u>Bonus Vacation Days To Be Credited on July 1</u>
0 to 2 days	3
3 ½ or 4	2
4 ½ or 5	1 ½
5 ½ or 6	1
More than 6	0

This section shall otherwise be in accordance with Chapter 13-5-1 of the Municipal Code.

- G. Employees will have access to Departmental Leave Days in accordance with the Municipal Code and the Manual of Standard Personnel Practices. Permission will not be unreasonably withheld.
- H. The above shall be in accordance with Chapter 13, Article 5, Section 2 of the Municipal Code of the City of Detroit except as modified by this Article.

29. UNUSED SICK LEAVE ON RETIREMENT

- A. Employees shall be entitled to payment for unused sick leave on retirement as follows:

Upon retirement, or death with twenty (20) years of service, an employee shall be entitled to payment of sixty percent (60%) of their unused sick leave.

- B. The payments will be made as part of the Employee's Pension Program, or the Employee's Benefit Plan, or through the Finance Department. At the employee's option, he/she can elect to have up to the amount permitted by law of his/her unused sick leave payment deposited in his/her deferred compensation account with the balance paid to the employee.

30. LONGEVITY PAY

- A. Employees shall qualify for longevity pay as follows:

1. Employees may qualify for the first step of longevity pay, provided they have served as City employees for an accumulated period of five (5) years.
2. Employees may qualify for the second step of longevity pay, inclusive of the first step provided they have served as City employees for an accumulated period of eleven (11) years.
3. Employees may qualify for the third step of longevity pay, inclusive of the first and second steps, provided they have served as City employees for an accumulated period of sixteen (16) years.
4. Employees may qualify for the fourth step of longevity pay, inclusive of the first, second and third steps, provided they have served as City employees for an accumulated period of twenty-one (21) years.
5. Employees may qualify for the fifth step of longevity pay, inclusive of the first, second, third, and fourth steps, provided they have served as City employees for an accumulated period of twenty-six (26) years.
6. The first step of longevity increment shall be one hundred fifty dollars (\$150). The second step of longevity increment inclusive of the first step, shall be three-hundred dollars (\$300). The third step of longevity increment, inclusive of the first and second steps, shall be four-hundred and fifty dollars (\$450). The fourth step of longevity increment, inclusive of the first, second and third steps, shall be six hundred dollars (\$600). The fifth step of longevity increment, inclusive of the first, second, third and fourth steps, shall be seven hundred and fifty dollars (\$750).

- B. Employees who have qualified for longevity pay and have accumulated at least sixteen hundred (1600) hours of straight time Regular Payroll hours of paid time during the year immediately preceding any December 1 date or other day of payment will qualify for a

full longevity payment provided they are on the payroll on the December 1st date or any other date of qualification. Except for employees first qualifying for increments, the payment will be made in a lump sum annually on the first pay date after December 1st.

No employee will be denied a full longevity payment on December 1st because of a temporary unpaid absence of twenty (20) continuous days or less extending through the December 1st date in question, or because he/she failed to meet the qualifying hours specified in paragraph B above due to being on Workers' Compensation.

- C. Employees who first qualify for longevity pay increments in any month after any December 1st date shall be paid such increment on a pro-rata basis upon attaining such qualification in the amount of a full increment less one-twelfth (1/12) thereof for each calendar month or fraction thereof from the previous December 1st date to date of such qualification.
- D. Prorated longevity payments may be made between December 1st dates to qualified employees and officers who separate or take leave from City service, excluding those who are discharged, those who resign and those who resign with a vested pension. Such prorated longevity increment shall be paid for time served on a full calendar month basis since the date of their last longevity payment; provided, that each month shall contain at least 160 straight time regular payroll hours of service.
- E. All of the above provisions except as modified herein shall be in accordance with Chapter 13, Article 7 of the Municipal Code of the City of Detroit.

31. TUITION REFUND

Bargaining unit members may participate in the City's Tuition Refund Program as administered by the Human Resources Department. Employees requesting a tuition refund should submit the applications to the Human Resources Manager/Consultant in their department.

The maximum amount of the tuition refund shall be increased as indicated below:

- A. An eligible employee will be entitled to receive a maximum of \$2,000 per fiscal year to be applied toward tuition and applicable registration fees in seeking a graduate degree from an accredited university.
- B. An eligible employee will be entitled to receive a maximum of \$1,500 per fiscal year to be applied toward tuition and applicable registration fees in seeking an undergraduate degree from an accredited university.
- C. An eligible employee will be entitled to receive a maximum of \$1,200 per fiscal year to be applied toward payment for participation in employee development programs

The above amounts cannot be pyramided to permit any employee to receive more than a total amount of \$2,000 in any fiscal year.

32. VACATIONS

A. **ELIGIBILITY:**

Employees inducted during the course of the fiscal year shall not be eligible for vacation leave without deduction of pay until they shall have earned at least one thousand (1,000) hours of paid time, exclusive of overtime or premium time, and until they have attained status as City employees for at least six (6) months. When employees qualify, as above stated, they shall be entitled to five (5) days of vacation leave. Once employees have earned at least sixteen hundred (1600) hours of paid time, exclusive of overtime, and have attained status as employees for at least twelve (12) months, they are entitled to five (5) additional vacation days. In order that an employee's time may be computed on a fiscal year basis, on the July 1st following his first year anniversary date of employment, the employee will be entitled to a prorated vacation leave computed by multiplying the number of months remaining from the anniversary date, to the end of the fiscal year by 8.3 percent of ten (10) days and rounding the product to the nearest whole number. Thereafter, his vacation shall be computed on a fiscal year basis.

B. The vacation schedule shall be as follows:

0-6 months	No vacation
6 months	5 days
1 year	Additional 5 days
2 through 5 years	10 days
6 years	11 days
7 years	12 days
8 years	13 days
9 years	14 days
10 through 12 years	17 days
13 years	18 days
14 years	19 days
15 years or more	20 days

C. **VACATION PERIOD:**

1. Vacations will, insofar as possible, be granted at a time most desired by employees according to their seniority.
2. When an official holiday occurs during a scheduled vacation, the employee shall be entitled to an additional vacation day.
3. If an employee becomes ill while on his vacation, or prior to, his vacation shall be re-scheduled after proof of such illness.
4. Employees who are on extended sick leave of one (1) month or more on any October 1st date, shall, upon prior written application to the department head and the Finance Director be entitled to a lump-sum payment in lieu of time off for all vacation leave earned during the preceding fiscal year.

5. An employee's vacation bank may not exceed more than forty (40) days, or 320 hours, on any October 1.

D. VACATION PRORATION:

Employees who fail to accumulate the required sixteen hundred (1600) straight time regular payroll hours, those who die and those who are separated from the service, either temporarily or permanently, so that it is apparent at the time of separation that they will not accumulate sixteen hundred (1600) hours of straight time pay, shall be entitled to vacation leave before such separation computed as follows: 8.3 percent of the vacation credit of the previous July 1st multiplied by the number of calendar months in which employees have been paid for not less than one hundred and sixty (160) straight time regular payroll hours, and rounded to the nearest whole number. After sixteen hundred (1600) straight time hours are worked in a fiscal year, employees will be entitled to one hundred percent (100%) of their next July 1st vacation. Employees who have attained status for at least twelve (12) months but have not yet been placed on a fiscal year basis, and who are separated from the service, shall be entitled to prorated vacation leave, computed by multiplying the number of months worked from the one year anniversary date to the date of separation by 8.3 percent of ten (10) days and rounding the product to the nearest whole day. Current rules governing vacation shall otherwise continue to apply. This paragraph does not apply to part-time, seasonal or temporary employees.

E. CREDITING VACATION:

One hundred percent (100%) of anticipated annual vacation leave (rounded down to the nearest ½ day) will be posted to an employee's bank after he/she has accumulated sixteen hundred (1600) straight time hours in a fiscal year. In the event an employee has been credited with more time than he/she has earned, on the succeeding July 1st, or date of separation, whichever comes first, the employee will have any vacation time credited but not yet earned charged first against his/her existing vacation bank, then to his/her swing holiday bank, or failing sufficient time in those two banks, he/she will be docked for the time.

F. VACATION PRORATION - LAYOFFS:

An employee who is laid off for an extended period of time beyond thirty (30) calendar days, will receive a lump-sum bonus payment in lieu of any unused vacation credit including that accrued in the current fiscal year on a pro-rata basis according to Section D. A recalled employee who received a lump-sum bonus credit at the time of layoff for the current fiscal year will have such credit deducted from the total vacation earned in the fiscal year in which he/she is laid off.

An employee who is laid off for thirty (30) days or less shall have the option of receiving a lump-sum bonus payment in lieu of vacation or leaving his/her vacation intact.

G. RATE DURING VACATION:

Employees will be paid their current base rate while on vacation. Employees with multiple classifications shall be paid an average current rate of pay computed from the

ratio of time worked in each classification over the fiscal year immediately preceding such vacation.

- H. If a regular pay day falls during an employee's vacation of one (1) week or more, he/she may request his/her check in advance before going on vacation and such request shall be granted.
- I. Employees will have two days of vacation converted to "Prior Compensatory Time" in July of each year. Liquidation will be in accordance with the rules for compensatory time. Employees must liquidate this time by the end of the fiscal year in which it is credited.

33. WORKERS' COMPENSATION

- A. All employees shall be covered by the applicable Workers' Compensation laws and related benefits. An employee sustaining injury or occupational disease arising out of and in the course of City employment shall be continued on the payroll and his/her time shall be charged to his/her sick leave reserve for all days not covered by Workers' Compensation payments; provided that in the absence of any sick leave reserve he/she shall be paid regular wages or salary to the extent of two-thirds of his/her daily wage or salary but for a period not to exceed seven (7) days; provided, also; that where the employee has off-time banks and receives income under the Workers' Compensation Act, such income shall be supplemented by the City from his/her off-time banks in an amount sufficient to bring it up to ninety-five percent (95%) of his/her weekly take-home pay. For the purposes of this article, take-home pay is defined as gross pay from the City less Social Security deductions, and less federal, state and City income tax withholding amounts based on the employee's actual number of dependents. Employees shall be eligible to earn current sick leave.
- B. Employees who are unable to supplement their Workers' Compensation benefit from their off-time banks because the amount of overtime worked causes the benefit to meet or exceed ninety-five (95%) percent of weekly take-home pay, shall be treated like employees who are able to supplement for the purposes of hospitalization, life insurance and current sick leave. This provision does not apply to those employees who are unable to supplement because they have no time available in their off-time banks.
- C. Employees shall not be eligible for holiday pay nor earn additional vacation or reserve sick leave when they are being paid Workers' Compensation benefits.
- D. The City agrees to continue hospitalization and life insurance benefits for employees with one or more years of seniority who have been approved for Workers' Compensation benefits for a period of nine (9) months after they go off the payroll. Thereafter employees will be entitled to benefits which accrue to them through the Pension Plan and the Income Protection Plan.

NOTE: In order to continue hospitalization and life insurance benefits, employees are responsible for their portion of the premium as required by the Contract. Those deductions will be made automatically while they remain on the payroll because they are supplementing. Once they leave the payroll, they must make arrangements with the Pension Bureau to pay those premiums in order to continue coverage.

- E. Consistent with the Workers' Compensation Act and current City practices:
1. The City shall continue its program of returning workers who suffered job injuries back to active employment to perform work tasks which are compatible with their current physical capabilities. To the maximum extent possible, employees will be returned to their former job classification in their former department, or if no such position is available, in another City department if they are presently able to perform the essential duties with or without reasonable accommodations.
 2. If the employee is presently able to perform some but not all of the essential duties, but there is competent medical documentation that he/she will be able to perform all such duties within ninety (90) days, he/she may be placed conditionally in an available position in the classification subject to review at the end of this period. Work tasks assigned will be those compatible with present work restrictions.
 3. If the employee cannot presently be returned to his/her former job classification, he/she will be placed in an appropriate available position in another classification on a temporary basis until such time as the employee is able to return to his/her former job classification or acquires permanent status in the alternate classification by action of the Human Resources Department. The duration of the temporary status shall be in accordance with the Workers' Compensation Act. During the temporary period, efforts will be made to place the employee in available positions consistent with his/her training and experience and current physical capabilities.
 4. While employed in the alternate job classification, whether temporary or permanent, the employee shall be represented by the local union having jurisdiction over employees in that classification and at that location. However, residual seniority rights to the employee's former classification shall remain with his/her former local or other union. An employee in an alternate classification on a permanent basis continues to have a right to return to his former job classification in his former department when physically able to do so.
 5. Employees returned to work under these provisions shall not be charged with absences for disciplinary purposes where there is medical documentation that such absences were caused and necessitated by the former job injury.
 6. Employees will be eligible for wage increases granted to their alternate job classification.
 7. Should a medical dispute arise between the employee's physician and the Employer's physician, a third physician will be mutually selected by the doctors and the third doctor's opinion shall be final and binding on the City and Association.

34. RATES FOR NEW POSITIONS

When the Human Resources Department establishes a new classification or materially changes the specification of an existing classification, the rate of pay shall be determined by the Labor

Relations Division, subject to the approval of the department involved. Recommendation for the establishment of such rates shall be directed by the Labor Relations Division to the City Council. When the new classification clearly falls within bargaining unit covered by the Agreement, the Association will be advised as to the classification, the departments, the rate and anticipated number of employees affected before any action will be taken by the City Council. In the absence of any appeal by the Association within ten (10) working days of the date of the notice to the Association, action on the position will be submitted to the City Council. In the event of an appeal the interested bargaining agent may negotiate for a suitable rate with the proper department or departments and the Labor Relations Division and the matter shall be handled in accordance with the procedure for Special Conference. If the parties fail to reach an agreement on a new rate within forty-five (45) days after notice is given to the Association, the City may implement its last offer to the Association. Any subsequent settlement shall have retroactivity to the date the offer is implemented.

35. PRIVATE CAR MILEAGE REIMBURSEMENT

A. Rates of Payment

When an employee covered by this Agreement is assigned to use his/her automobile to perform his/her job, he/she shall be paid mileage at the current IRS per mile rate subject to change when that rate changes higher or lower. In addition, \$2.19 per day is to be paid for each day an employee is required to use his/her car for City business.

When an employee is ordered to report to a work location outside the Detroit Metropolitan Area (as defined in the Budget Memo of June 5, 1991) he/she shall be entitled to reimbursement for actual travel expenses only, in accordance with the Budget Directive on Travel Policy (79-3) and the Budget memo of June 5, 1991.

The City will continue to reimburse employees for the difference in premiums between business and pleasure insurance according to the formula approved by City Council for that purpose.

B. Definition of Reimbursable Mileage

1. Trips from home to headquarters and back home shall not constitute reimbursable mileage.
2. Trips in either direction between home and any officially designated point (when there is no specific headquarters) shall not constitute reimbursable mileage.
3. Trips from headquarters (or from the designated starting point if he/she has no headquarters) to a job, from job to job, and if directed, back to headquarters or starting point, shall constitute reimbursable mileage.
4. For those employees who do not report to a specific headquarters, or starting point on any given day, mileage in excess of 15 miles from home directly to a job at other than headquarters or starting point at the start of the work day and mileage in excess of 15 miles from a job located at other point than headquarters or starting point to home at the end of work day shall constitute reimbursable mileage.

C. **Accident Payments**

When an employee is involved in an accident while on City business resulting in damage to his/her automobile in excess of \$50.00, the City will pay for unrecoverable collision damage in excess \$50.00 not to exceed \$250.00. Employees must furnish proof to their department of the time of an accident and the extent of the damages. Automobile accidents will be excluded from the City's regular small claims program.

- D. In the event of an automobile breakdown during regular working hours, the time which an employee is allowed for servicing and repairing his/her automobile is to be left up to the department in which he/she works.
- E. When an employee covered by this Agreement is regularly assigned to a job which requires the use of an automobile during his/her normal working hours, he/she shall be required to furnish said car.
- F. In order to receive mileage reimbursement an employee must actually use an automobile on City business.
- G. The City and the Association agree to establish a joint committee consisting of three (3) members from the Association and three (3) members of Management to review the feasibility of establishing car pools which would reduce the City's cost for private car mileage.

36. LEAVES OF ABSENCE

- A. Leaves of absence without pay may be granted to Association members in accordance with the procedures established under the Human Resources Department Rules.
- B. Family and Medical Leave Act of 1993 (FMLA): The FMLA became applicable to employees in collective bargaining units on August 5, 1994. The Human Resources Department issued a policy directive dated September 9, 1993, and reissued it on April 21, 1998, which detailed how the provisions of the FMLA would be implemented and incorporated into the existing City leave of absence policy. That policy is incorporated herein by reference.

The FMLA provides that eligible employees may be off work for up to twelve (12) weeks each twelve (12) month period for the following reasons: To get treatment for the employee's own serious illness or temporary disability; to take care of a spouse, child or parent who is seriously ill or disabled; or to exercise parental care for a new-born infant or newly placed adopted or foster child. During this absence from work, the employee is entitled to continuation of healthcare benefit coverage. For employees of the City, the twelve (12) month period is the fiscal year. Questions concerning leaves for FMLA purposes should be referred to the employee's Human Resources representative.

37. MAINTENANCE OF CONDITIONS

Wages, hours conditions of employment and current proper practices which are beneficial to the employees at the execution of this Agreement, shall, except as provided and improved herein, be maintained during the term of this Agreement. Changes must be mutually agreed upon by the City and the Union.

The parties agree that this Article is intended to include those proper practices and minor benefits not covered by specific language in the contract.

The parties agree that this Article is not intended to conflict with the City's ability and responsibility to manage its affairs.

The parties further agree that this Article is not intended to maintain improper practices which may exist, nor is it intended to prevent the City from taking appropriate corrective action.

38. OTHER CONDITIONS OF EMPLOYMENT

Fringe benefits and working conditions except as otherwise expressly provided herein shall be uniformly applied to all members of the Bargaining Unit and shall be in accordance with the City Charter, Ordinances, Resolutions and Human Resources Department Rules as adopted by the Civil Service Commission.

39. MISCELLANEOUS

Where by payroll error an employee is underpaid or overpaid, the City is expressly authorized to correct the underpayment or overpayment by payroll adjustment. The City shall notify an employee in writing fourteen (14) days prior to making any overpayment recovery.

The correction of the underpayment shall be made within 60 days after notification to the department Human Resources Manager/Consultant.

For overpayment recoveries the City is authorized to deduct up to fifty dollars (\$50) weekly or one hundred dollars (\$100) bi-weekly. If the employee separates from City service, the entire unpaid balance shall be recoverable immediately.

If the amount owed by the employee is over \$2,600, the City reserves the right to seek immediate recovery through the appropriate legal proceedings.

40. WAIVER OF BARGAINING RIGHTS

The parties acknowledge that for the life of the Agreement, they have each voluntarily and unqualifiedly waived the right, and agreed that the other shall not be obligated, to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or

with respect to any subject or matter not specifically referred to, or covered in this Agreement, even though such subjects or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

41. SAVINGS CLAUSE

If any Article or Section of this Agreement should be held invalid by operation of Law or by any Tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such Tribunal, the remainder of this Agreement shall not be affected thereby, and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or Section.

42. DURATION, MODIFICATION AND TERMINATION

This Agreement shall become effective upon the effective date of Resolution of Approval of the City Council as provided by law and shall remain in full force and effect until 11:59 P.M., June 30, 2008.

If either party desires to modify this Agreement, it may give notice to the other party as early as April 30, 2008.

In the event the parties fail to arrive at an agreement on wages, fringe benefits, other monetary matters, and non-economic items by June 30, 2008, this Agreement will remain in effect on a day to day basis. Either party may terminate the Agreement by giving the other party a ten (10) calendar day written notice on or after June 20, 2008.

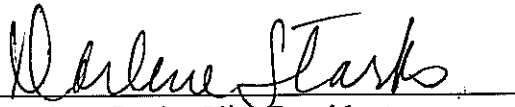
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

Dated This 20th Day of August, 2008.

DETROIT INCOME TAX
INVESTIGATORS ASSOCIATION

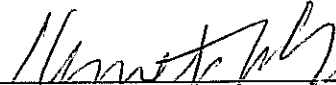


Donny Russell, President
Detroit Income Tax Investigators

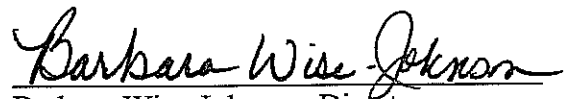


Darlene Starks, Vice President
Detroit Income Tax Investigators

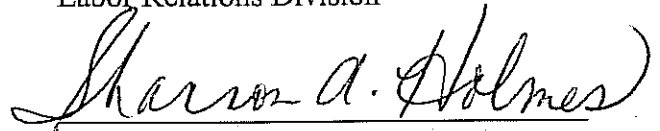
CITY OF DETROIT



Kenneth V. Cockrel, Jr., Mayor
City of Detroit



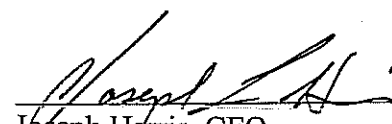
Barbara Wise-Johnson, Director
Labor Relations Division



Shannon A. Holmes, Director
Human Resources Department



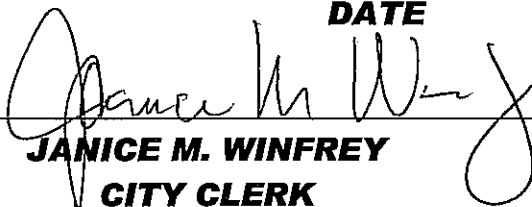
Kathleen Leavey, Int. Corp. Counsel
Law Department



Joseph Harris, CFO
Finance Department

**APPROVED AND CONFIRMED BY
THE CITY COUNCIL** 12.9.2008

DATE


**JANICE M. WINFREY
CITY CLERK**

MEMORANDUM OF UNDERSTANDING
Between the
CITY OF DETROIT
and the
DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

RE: PRECEDENCE OF ADA & MPDCRA OBLIGATION TO DISABLED PERSONS

WHEREAS the CITY OF DETROIT and the DETROIT INCOME TAX INVESTIGATORS ASSOCIATION are each subject to the provisions of the Americans with Disabilities Act of 1990 (ADA), Title I, on July 26, 1992; and

WHEREAS provisions of the Michigan Persons With Disabilities Civil Rights Act (MPDCRA) although already applicable, were not enacted prior to the negotiation of any present or prior labor agreements between the parties; and

WHEREAS these pieces of legislation are new comprehensive civil rights acts providing for non-discrimination of persons who, in accordance with the standards and contents of said acts, are disabled and yet fully-qualified to perform applicable City jobs; and

WHEREAS these acts impose new obligations upon the CITY OF DETROIT and the DETROIT INCOME TAX INVESTIGATORS ASSOCIATION with regard to employment-related interaction with such covered persons and the ADA specifically proscribes any precedence for labor contract provisions contrary to the Act; an

WHEREAS the full impact of the legislation's application to CITY OF DETROIT employment policies, present and future, and the changes that will necessarily have to be made to past practices, including those that grew out of the operation of the provisions of prior labor agreements between the parties, cannot be fully determined at this time; and

WHEREAS the congressional history surrounding the ADA's enactment and the subsequent EEOC-written Federal Regulations issued to assist in its implementation and enforcement, specifically recognize that many critical determinations to be made concerning compliance will be on a case-by-case basis; and

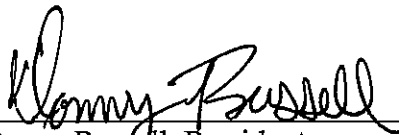
WHEREAS the congressional history of the EEOC-written Federal Regulations also encourage employers and labor unions to agree to the type of provisions set forth in this Memorandum and elsewhere in the Master Collective Bargaining Agreements;

NOW THEREFORE in recognition of the forestated obligations and anticipated uncertainties attendant the MPDCRA, and the ADA in particular, the parties hereby agreed that:

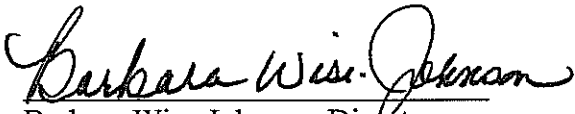
1. They were obliged to and have hereby abandoned or amended any provisions contained in prior agreements and past acceptable employment practices which would now be contrary to the provisions of the subject Acts.

- a. The language in Contract Articles entitled: Purpose and Intent; Equal Employment Opportunity and Affirmative Action; Safety; Seniority; Promotions; Maintenance of Conditions; Non-Discrimination; Out-of Class; Workers' Compensation; and Grievance Procedure is subordinated to the contents of this Memorandum and references within those articles, if any, which refer specifically to the ADA and MPDCRA or to non-discrimination of qualified disabled persons generally, have been made to allow the City to fully effectuate the mandates of the said non-discrimination Acts.
 - b. In addition to those instances where specific references have been made to the precedence of the accommodation obligations of the Acts, it is also agreed that the general language contained in the balance of the agreement shall not be construed to negate the otherwise clear intention to provide the accommodations called for as a consequence of the contents of this memorandum and said specific references cited in the preceding subparagraph 2(a).
2. The various provisions of this memorandum and those cited in paragraph 2(a) will be liberally construed in favor of empowering the City of Detroit to make employment decisions that carry out the goals of the Act.
 3. In recognition of the case-by-case determinations that will have to be made in order to sometimes accurately know what the ADA requires be done in a give situation, the City, so long as it acted in good faith in its initial actions, shall be allowed to make, without liability or penalty, those after-the-fact adjustment to employment decisions which are later determined to have actually been required at the initial time of action so as to effectuate the requirements of the Act.

Dated This 20th Day of August, 2008.



Donny Russell, President
Detroit Income Tax Investigators
Association



Barbara Wise-Johnson, Director
Labor Relations

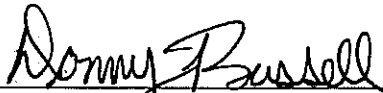
MEMORANDUM OF UNDERSTANDING
Between the
CITY OF DETROIT
and the
DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

RE: DISCONTINUANCE OF OPERATION

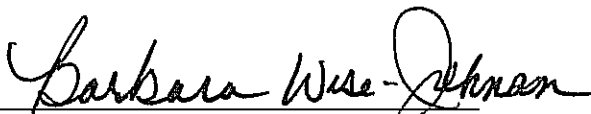
In the event that the Income Tax function is absorbed, consolidated with, or assimilated into another unit of government, including but not limited to any other City Department, the County of Wayne, the State of Michigan, or any political subdivision of the State or County, the Employer agrees:

1. To notify the Association immediately upon entering into negotiations which could culminate in absorptions, consolidation or assimilation into another unit of government.
2. To meet with and discuss the various employment alternatives as to how the employee's equity will be protected.
3. To place affected employees in accordance with the Human Resources Department Rule X, Reduction in Force. Reasonable efforts will be made by the Employer to place employees in this unit in open positions of comparable responsibility and pay rate based upon the qualifications and merits of each individual.
4. That during any phase out period that no one other than an Income Tax Investigator or Senior Income Tax Investigator shall work in those respective positions.

Dated This 20th Day of August, 2008.



Donny Russell, President
Detroit Income Tax Investigators
Association



Barbara Wise-Johnson, Director
Labor Relations


MEMORANDUM OF UNDERSTANDING
Between the
CITY OF DETROIT
and the
DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

RE: INCOME TAX TRAINING

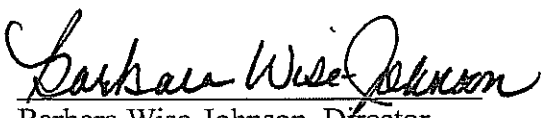
The City of Detroit and the Detroit Income Tax Investigators Association (hereinafter, Association) agree that it is in the interest of both parties that the members of the Association maintain a level of skill necessary for satisfactory job performance in their respective positions. To this end the parties agree to the following:

- That the City of Detroit will provide re-training to the members of the Association when changes in any tax law effects the job performance of the members so as to put the members in the position of being unable to perform according to minimum requirements.
- That such re-training will be administered by the Department in which the members subject to re-training are employed.
- That when the Association President finds the collective job performance of the members adversely affected due to a change in any tax law he/she may notify the appropriate Department.
- That the Department will determine whether the members are performing at minimum standards and whether re-training is appropriate.
- That the form, extent, and time of such re-training will be determined by the Department in consultation with the Association President.
- That the intent of this Memorandum is to protect Association members from poor job performance caused by changes in any tax law, and this Memorandum does not apply to changes which do not affect members' performance to the extent set forth in paragraph one (1) of this Memorandum.
- That this Memorandum does not impair any right otherwise given to the Association under this contract.
- That this Memorandum does not impair any right otherwise given to the City of Detroit under this contract.

Dated This 20th Day of August, 2008.



Donny Russell, President
Detroit Income Tax Investigators
Association



Barbara Wise-Johnson, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
Between the
CITY OF DETROIT
and the
DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

RE: LABOR/MANAGEMENT COMMITTEE

The parties acknowledge a need to establish a means for continuing dialogue between management and Union representatives to discuss and resolve matters that are of mutual concern, and to work cooperatively toward improving services, and the effective delivery of such services, to the citizens of Detroit. Accordingly, the parties have agreed to establish a Labor/Management Committee.

Composition of the Committee shall consist of the Association Representative and up to three (3) other bargaining unit members, and up to three (3) management representatives shall be on and ad hoc basis; that is, committee members can be chosen based on the item(s) on the meeting agenda.


CITY-WIDE LABOR/MANAGEMENT COMMITTEE

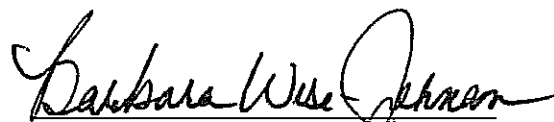
When appropriate, and mutually agreed between the parties, the Association will participate in Labor/Management Committee meetings involving representatives of other City labor organizations.

The composition of this multi-union Labor/Management Committee will be determined at the time of formation of said committee.

The proper subjects to be discussed by the Labor/Management Committee shall include employment issues that are unique and of special concern to the Department or the Association, or how provisions of the Master Agreement shall be applied in a department. Proper issues for discussion may include improving the grievance procedure within a department, methods of increasing productivity, implementing technological changes, and training employees in the department.

Dated This 20th Day of August, 2008.


Donny Russell, President
Detroit Income Tax Investigators
Association


Barbara Wise-Johnson, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
Between the
CITY OF DETROIT
and the
DETROIT INCOME TAX INVESTIGATORS ASSOCIATION

RE: WAGE CONCESSIONS

The parties enter into this agreement for the purpose of reducing the standard payroll work period of the membership by 10% during the temporary period beginning on or about July 1, 2006, through June 30, 2007. The standard payroll work period will be reduced from forty (40) hours to thirty-six (36) hours or from eighty (80) hours to seventy-two (72) hours during this period. Other appropriate contract changes consistent with this reduction are also being agreed to and implemented. All of these changes are entirely temporary and shall immediately revert to their original state at the conclusion of the temporary period.

WORK WEEK, WORK DAY, SHIFT PREMIUM

Effective July 1, 2006, through June 30, 2007, the standard payroll work period of the Union membership shall be reduced from 40 hours to 36 hours or from 80 hours to 72 hours. Work schedules reflecting this reduction shall be established at the discretion of the department based on operational needs.

Hourly employees shall be scheduled for thirty-six (36) hours of work per week or seventy-two (72) hours in a two week work period, and be paid accordingly. Salaried employees shall continue to have their equivalent hourly rate determined by dividing their salary by 2080 hours but shall be scheduled and paid for only seventy-two (72) hours per two week pay period.

Departments shall have the option of implementing the following work schedules:

- One 8 hour day and four 7 hour days for a total of thirty-six (36) hours per payroll week.
- Four 9-hour days for a total of thirty-six (36) hours per payroll week. The first scheduled off day shall be designated as the "fifth day", the second as the "sixth day", and the third as the "seventh day."
- Four 8-hour days and one 4-hour day for a total of thirty-six (36) hours per payroll week.
- Nine 8-hour days in a two-week pay period, for a total of seventy-two (72) hours per pay period. In the week where the employee is scheduled for thirty-two (32) hours, the first scheduled off day shall be designated as the "fifth day", the second as the "sixth day", and the third as the "seventh day."

Employees who currently receive forty hours of pay but who are scheduled to work less than forty hours per week shall be scheduled for 36 hours per week and receive 36 hours of pay, inclusive of the lunch period. In order for the employee's lunch period to be included in his/her workday, the employee must actually work 5 ½ hours on that day.

OVERTIME

If an employee is scheduled to work less than 40 hours in a work week, overtime for that work week shall not be payable until the employee works 40 hours in that work week. For employees working a four 9-hour day schedule, daily overtime will not begin until after the employee works their scheduled nine hours for that day. All other overtime provisions shall remain as is.

RETIREMENT

The temporary period of reduced regular wages shall not be recognized for pension computation purposes and appropriate calculations will be made to have any pension benefits equal the same amount the member would have earned had his or her regular pay not been temporarily reduced.

Employees who retire during this period shall continue to have their vacation, swing holiday and compensatory time banks run-out in forty (40) hour per week increments.

VACATIONS

Qualifications for earning time are proportionally reduced, and other appropriate modifications are agreed to as necessary to comport with the 10% hours reduction.

SICK LEAVE

Qualifications for earning time are proportionally reduced, and other appropriate modifications are agreed to as necessary to comport with the 10% hours reduction.

LONGEVITY PAY

The minimum number of hours needed to qualify for this pay is proportionally reduced.

WORKERS' COMPENSATION

Employees who are working a 10% reduced work period at the time that they go off on Workers' Compensation shall have their formula for supplementation out of their sick leave banks calculated upon 100% of their take-home pay under the reduced hours work week.

HOLIDAYS AND EXCUSED TIME DAYS

The work schedules established by the departments to reflect the reduced work week shall be structured as follows:

One 8 hour day, four 7 hour days per work week

In those weeks in which a holiday or excused time day occurs, the work day designated as the 8 hour day shall be the holiday or excused time day. When two holidays or excused time days occur in the same work week, the holiday shall be designated as the 8 hour day and the excused time day as the 7 hour day.

Four 9 hour days per work week

When a holiday falls on an employee's "fifth day", it shall be observed on the scheduled work day which immediately precedes that day. If the preceding work day is also a holiday or excused time day, then the employee shall be scheduled off on the last scheduled preceding work day that is not a holiday or excused time day.

Four 8 hour days and one 4 hour day per work week

The employee's 4 hour work day shall not be scheduled on a holiday or excused time day.

Nine 8 hour days per two week pay period

When a holiday falls on an employee's "fifth day", it shall be observed on the scheduled work day which immediately precedes that day. If the preceding work day is also a holiday or excused time day, then the employee shall be scheduled off on the last scheduled preceding work day that is not a holiday or excused time day. However, the department shall have the right to schedule the employee's "fifth day" so as to not fall on a holiday or excused time day.

In the above-described work schedules, if an employee is required to work either a holiday or an excused time day, payment for such days shall be in accordance with the Master Agreement.

BANKED PAID OFF TIME (Vacation time, Sick time, Compensatory time, Swing Holidays)

Employees shall continue to accrue banked paid off time in accordance with the Master Agreement. When utilizing paid off time, an employee's banks will be charged with the appropriate number of hours to cover the day or days off.

NON-BANKED PAID OFF TIME (Funeral Leave, Jury Duty, Union Business)

When utilizing non-banked paid off time, an employee will receive payment for the number of hours he or she was scheduled to work on that day(s).

COMMITMENT TO A FAIR AND EQUITABLE SETTLEMENT

It is the City's goal and commitment to this Union to achieve a 10% reduction in scheduled work hours with all of our labor organizations. However, due to circumstances such as providing essential services to the public which must be delivered in an immediate manner, services that must be provided on a 24 hour/7 day per week basis, or Act 312 status, it may not be possible to implement a 10% reduction in hours without severely impacting the service to, or jeopardizing the safety of, the public. In these cases, the City will make every effort to achieve similar savings in other areas of employee overall compensation.

Employee who have previously taken the 10% reduction in scheduled hours and transferred or promoted into the Detroit Income Tax Investigators bargaining unit and have completed a full year of reduced hours will not be subject to the 10% reduction as described herein.

The City further agrees that should the City reach an agreement with another non-Act 312 labor organization on a health care benefit plan that is more advantageous to the employee, such plan will be implemented for members of this Union. Lastly, the City agrees that with respect to the complete terms of this Wage Concession Memorandum, this labor organization will not be disadvantaged as a result of a subsequent Wage Concession Memorandum agreement reached with any other non-Act 312 bargaining unit.

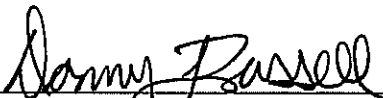
LAY-OFFS DURING THE CONCESSION PERIOD

The City agrees that during the period that the wage concession agreement is in effect (July 1, 2006 through June 30, 2007), no bargaining unit employee who is on the payroll as of the date the City receives written notification that the "Tentative Agreement" has been ratified by the Union membership will be laid off from City employment. However, the City reserves the right to reduce the work force for lack of work or lack of funds, or where such continuation of work would be wasteful or unproductive. In such instances employees will be reassigned or transferred to other positions within their department or other City departments in accordance with the Master Agreement and Human Resources Rules. Excluded from this "no layoff

guarantee” are normal and customary seasonal layoffs, and positions lost due to the termination of resources for grant-funded positions or for the occurrence of conditions beyond the control of the City.

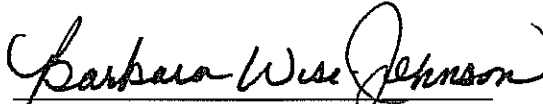
Dated This 20th Day of August, 2008.

FOR THE DETROIT INCOME
TAX INVESTIGATORS:



Donny Russell, President
Detroit Income Tax Investigators
Association

FOR THE CITY:



Barbara Wise-Johnson, Director
Labor Relations

City Alternative Health Care Proposal

1. This "City Alternative Health Care Plan" is conditioned upon the City achieving the specific cost saving objectives professionally-estimated and calculated to result from the implementation of all of the features contained in this proposal and based on beginning at the of the FY 2006 – 2007 benefit year. The health care benefit plan changes specified in the attached document will be effective, July 1, 2006. It is understood that the open enrollment may not be held prior to but, will be held as soon possible to allow employees the opportunity to switch to other plans and/or add dependents. The attached "Alternative City Health Care Proposal" must be TA'd through the negotiation process and ratified by the union membership in sufficient time to meet a July 1, 2006 implementation schedule.
2. Contribution Structure: Effective with the coverage plan year beginning July 1, 2006, the employee's contribution towards the component premiums (i.e., one person, two persons, family), for the BC PPO plan shall be capped at 10% of the monthly premium, and for all HMO plans capped at 20% of the monthly premium. If the Blue Cross/Blue Shield Traditional plan as modified by the new plan design, continues to be offered as an option, it will be offered under the current premium sharing arrangement.
3. Effective with the Family Continuation Verification Period for the coverage plan year beginning July 1, 2006, in addition to the existing family continuation requirements, employees insuring family continuation dependents must also provide proof the dependent is enrolled in an accredited school as a full-time student in order for that dependent to be eligible for continued coverage.
4. Employees insuring sponsored dependents under any plan shall continue to pay the entire premium for this coverage.
5. Effective with the coverage plan year that begins on or after July 1, 2006, in order to be eligible for coverage under all City of Detroit health care plans, all active employees and their dependents who are eligible for Medicare due to certain medical conditions as defined by Medicare must enroll in Medicare Parts A and B.

Such enrollment in Medicare shall not result in any reduction in benefits or additional cost to the employee, in that the employee shall be reimbursed that amount paid for Medicare after submission of required proof of payment (This benefit does not apply to retirees or dependents covered under the City retiree's health care contract. Currently, all retirees and their dependents who are eligible for Medicare regardless of age must enroll in Medicare Parts A and B at their own expense to be eligible for continued coverage, and this provision shall remain unchanged and applicable to all persons who retire in the future.)

6. Effective with the implementation of the new HR/Payroll and Benefit System:

- A. Health care and life insurance coverage start and end dates shall be as follows:

Hospitalization: Coverage begins on the first day of the first full pay period, and ends on the last day of the month that employment ends.

Dental: Coverage begins on the first of the month following the employee working six months, and ends on the last day of the month that employment ends.

Optical: Coverage begins on the first of the month following 60 days of service, and ends on the last day of the month that employment ends.

Life Insurance and Death Benefit: Coverage begins on the first day of the first full pay period, and ends on the last day of the month that employment ends.

- B. **Supplemental Life Insurance Coverage:** Employees may opt for additional coverage up to either their actual salary or double their actual salary, rounded up to the nearest thousand. This would replace the Option 1 and Option 2 schedules for additional life insurance found in the Death Benefit and Life Insurance article of the Master Agreement.
- C. **Opt-Out Program:** Employees will receive a monthly stipend.
- D. **Pre-Tax Medical Premiums:** The employee's share of medical premiums will be shown and paid on a pre-tax basis.
- E. **Employee Payroll Deductions:** Payroll deductions will be taken out equally during every pay cycle.

In addition to the above noted provisions, the parties will continue to work collaboratively toward establishing cost saving measures for medical, dental, optical and life insurance plans as well as resolve issues that may arise with the implementation of the new HR/Payroll and Benefit System.

**City of Detroit Alternative Health Care Plan Design
BCBSM PPO Plan**

Plan Design	In-Network Benefits		Out-of-Network Benefits	
	Current Plan	Alternative Plan	Current Plan	Alternative Plan
General Plan Information				
Annual Deductible/Individual	\$0	\$175	\$250	\$425
Annual Deductible/Family	2x individual deductible	2x individual deductible	2x individual deductible	2x individual deductible
Coinsurance (Outpatient only)	100%	90%	80%	70%
Office Visit/Exam	\$5 copay	\$10 copay, then 100%	D&C	D&C
Outpatient Mental Health/Substance Abuse	90% / 50%	90% / 50%	80% / 50%	70% / 50%
Annual Out-of-Pocket Limit/Individual	None	\$1,000	\$1,000	\$2,000
Annual Out-of-Pocket Limit/Family	None	\$2,000	\$2,000	\$4,000
Inpatient Hospitalization	100%	100%	80%	70%
Emergency Room (copay waived if admitted)	\$50 copay	\$75 copay, then 100%	\$50 copay	\$75 copay, then 100%
Urgent Care Facility	100%	\$10 copay, then 100%	D&C	D&C
Hospital Admission Deductible	None	None	None	None
Prescription Drug Benefits Retail				
Generic	\$5	\$5	75% less copay	Not covered
Brand (Singlesource/Formulary)	\$10	\$15	75% less copay	Not Covered
Brand (Multisource/Non-formulary)	\$10	\$15	75% less copay	Not Covered
Number of Days Supply	30 days	30 days	30 days	30 days
Mail Order				
Generic	\$5	\$10	Not covered	Not Covered
Brand (Singlesource/Formulary)	\$10	\$30	Not covered	Not Covered
Brand (Multisource/Non-formulary)	\$10	\$30	Not covered	Not covered
Number of Days Supply for Mail Order	90 days	90 days	90 days	n.a.

**City of Detroit Alternative Health Care Plan Design
BCN, HAP and THC HMO Plans**

Plan Design	Current Plan	Alternative Plan
General Plan Information		
Office Visit Copay	None	\$ 10 Copay
Inpatient Admission Copay	None	None
Emergency Copay	None	\$ 75 Copay, then 100%
Urgent Care Copay	None	\$10 Copay
Outpatient MH/SA Copay	None	\$10 Copay
Prescription Drug Benefits Retail		
Generic	\$3	\$5
Brand (Single source/Formulary)	\$3	\$15
Brand (Multi-source/Non-Formulary)	\$3	\$15
Number of Days Supply	30 days	30 days
Mail Order		
Generic	\$3	\$10
Brand (Single source/Formulary)	\$3	\$30
Brand (Multi-source/Non-Formulary)	\$3	\$30
Number of Days Supply for Mail Order	90 days	90 days

City of Detroit Alternative Health Care Plan Design BCBSM Traditional Plan		
Plan Design	Current Plan	Alternative Plan
General Plan Information		
Annual Deductible/Individual	\$50	\$175
Annual Deductible/Family	2x individual deductible	2x individual deductible
Office Visit/Exam	80%	80%
Outpatient Specialist Visit	80%	80%
Annual Out-of-Pocket Limit/Individual	\$1,000	\$1,000
Annual Out-of-Pocket Limit/Family	\$2,000	\$2,000
Lifetime Plan Maximum	\$1,000,000	\$1,000,000
Inpatient Hospital Services		
Inpatient Hospitalization	100%	100%
Semi-Private Room & Board; Including Services and Supplies	100%	100%
Emergency Services	100%	\$75 copay then 100%
Urgent Care	100%	80%
Hospital Admission Deductible	None	None
Prescription Drug Benefits Retail		
Generic	\$3	\$5
Brand (Singlesource/Formulary)	\$3	\$15
Brand (Multisource/Non-Formulary)	\$3	\$15
Number of Days Supply	30 days	30 days
Mail Order		
Generic	\$3	\$10
Brand (Singlesource/Formulary)	\$3	\$30
Brand (Multisource/Non-formulary)	\$3	\$30
Number of Days Supply for Mail Order	90 days	90 days

EXHIBIT A
2005 – 2008 WAGE SCHEDULE

Class Code	Classification	Effective 7-1-05 thru June 29, 2008		Effective June 30, 2008, 11:59 pm, 4%	
		Min.	Max.	Min.	Max.
09-91-30	Income Tax Investigator	\$27,200	\$35,100	\$28,200	\$36,600
09-91-40	Senior Income Tax Investigator	\$29,700	\$38,500	\$30,900	\$40,100

**EXHIBIT B
HOLIDAY SCHEDULE**

HOLIDAY	2005-2006	2006-2007	2007-2008
Independence Day	Monday, July 4, 2005	Tuesday, July 4, 2006	Wednesday, July 4, 2007
Labor Day	Monday, September 5, 2005	Monday, September 4, 2006	Monday, September 3, 2007
Election Day*	Tuesday, November 8, 2005	Tuesday, November 7, 2006	Extra Swing Holiday
Veterans Day *	Friday, November 11, 2005	Friday, November 10, 2006	Monday, November 12, 2007
Thanksgiving Day	Thursday, November 24, 2005	Thursday, November 23, 2006	Thursday, November 22, 2007
Day After Thanksgiving*	Friday, November 25, 2005	Friday, November 24, 2006	Friday, November 23, 2007
Christmas Eve (eight hours)*	Friday, December 23, 2005	Friday, December 22, 2006	Monday, December 24, 2007
Christmas Day	Monday, December 26, 2005	Monday, December 25, 2006	Tuesday, December 25, 2007
New Year's Eve (eight hours)*	Friday, December 30, 2005	Friday, December 29, 2006	Monday, December 31, 2007
New Year's Day	Monday, January 2, 2006	Monday, January 1, 2007	Tuesday, January 1, 2008
Martin Luther King's Birthday	Monday, January 16, 2006	Monday, January 15, 2007	Monday, January 21, 2008
Good Friday (eight hours)*	Friday, April 14, 2006	Friday, April 6, 2007	Friday, March 21, 2008
Memorial Day	Monday, May 29, 2006	Monday, May 28, 2007	Monday, May 26, 2008

* Excused Time Holiday for all City employees. No holiday premium to be paid.

NOTE: Special rules on holiday observance may apply to employees engaged in unusual work assignments such as shift work and/or six (6) or seven (7) day operations.