

MASTER AGREEMENT

BETWEEN THE

CITY OF DETROIT

AND

ASSOCIATION OF MUNICIPAL INSPECTORS

2008 - 2012

**2008-2012 MASTER AGREEMENT between the CITY OF DETROIT and
ASSOCIATION OF MUNICIPAL INSPECTORS**

TABLE OF CONTENTS

ARTICLE NUMBER	PAGE NUMBER
Agreement.....	1
Purpose and Intent.....	1
1. Recognition of Association.....	1
2. Management Rights and Responsibilities.....	1
3. Association Security	2
4. Stewards.....	3
5. Work Week, Work Day, Shift Premium.....	4
6. Work Week Assignments	5
7. Overtime	5
8. Special Conferences.....	6
9. Grievance Procedure.....	7
10. Stipulations to the Grievance Procedure.....	10
11. Use of Past Record.....	10
12. Association Responsibilities	10
13. Seniority.....	11
14. Probation Periods.....	12
15. Seniority of Association Representatives	13
16. Death Benefits and Life Insurance.....	13
17. Longevity Pay	16
18. Hospitalization, Medical, Dental and Optical Care Insurance.....	17
19. Sick Leave.....	23
20. Funeral Leave.....	25
21. Retirement.....	26
22. Private Car Mileage Reimbursement.....	29
23. Holidays and Excused Time Off.....	31
24. Unused Sick Leave on Retirement.....	33
25. Vacations.....	34
26. Jury Duty.....	37
27. Unemployment Compensation Supplemental Unemployment Benefits	37
28. Workers' Compensation	39
29. Savings Clause.....	41
30. Waiver of Bargaining Rights	41
31. Reduction in Force.....	41
32. Wages.....	45
33. Miscellaneous Pay Practices.....	47
34. Tuition Refund Program	47
35. Sub-Contracting	48
36. Duration	49
Signature Page	49

**2008-2012 MASTER AGREEMENT between the CITY OF DETROIT and
ASSOCIATION OF MUNICIPAL INSPECTORS**

TABLE OF CONTENTS

ARTICLE NUMBER.....	PAGE NUMBER
--------------------------------	------------------------

MEMORANDUMS OF UNDERSTANDING:

RE: Equal Employment Opportunity and Affirmative Action	50
RE: Cooperation with the Americans with Disabilities Act	51
RE: Temporary Assignments	52
RE: Labor/Management Committee	54
RE: Temporary Placement of Employees into Other Duties/Departments.....	55
RE: Flex-Time for HRS at the Planning and Development Department	56
RE: City Medical Design (CMD) Plan II.....	57
RE: HR/Payroll Systems	62
RE: Defined Contribution Plan	63
RE: Employee Loan Program	62
RE: Automobile Breakdown	65
RE: Miscellaneous Time Off Provisions.....	68

EXHIBITS:

Exhibit I – Wage Schedule	70
Exhibit II – Holiday Schedule	71

AGREEMENT

This Agreement is entered into by and between the City of Detroit, a Michigan Municipal Corporation (hereinafter referred to as the Employer or as the City) and the Association of Municipal Inspectors (hereinafter referred to as the Association).

PURPOSE AND INTENT

The general purpose of this Agreement is to set forth terms and conditions of employment 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.

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.

To these ends the City and the Association encourage to the fullest degree friendly and cooperative relations between the respective representatives at all levels and among all employees.

1. RECOGNITION OF ASSOCIATION

Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, as amended, the City 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, of all employees of the City included in the bargaining unit described in Exhibit I attached.

2. MANAGEMENT RIGHTS AND RESPONSIBILITIES

- A. The Association recognizes the prerogatives of the City to operate and manage its affairs in all respects in accordance with its responsibilities and powers of authority.
- B. The City has the right to schedule work including overtime as required in a manner most advantageous to the City and consistent with requirements within the public interest.
- C. It is understood by the parties that every incidental duty connected with operations enumerated in job specifications is not always specifically described.

- D. The City reserves the right to discipline and discharge for just cause. The City reserves the right to lay-off for lack of work or funds, or the occurrence of conditions beyond the control of the City, or where such continuation of work would be wasteful and unproductive. The City shall have the right to determine reasonable schedules of work and to establish the methods and processes by which such work is performed.
- E. **Equal Treatment:** It is agreed by the City and the Association that the City is legally and morally obligated to provide equality of opportunity, consideration and treatment of all employees of the City and to establish policies and regulations that will insure such equality of opportunity, consideration, and treatment of all persons employed by the City in all phases of the employment process. To this end, basic rights and equities of employees are established through the City Charter, Executive Orders of the Mayor, Ordinances and Resolutions of the City Council and Rules of the Human Resources Department.

3. ASSOCIATION SECURITY

- 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 employed with the City and covered by this Agreement, 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 he/she first becomes 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 toward the administration of this Agreement, in an amount determined by the Association in accordance with applicable law. Employees who fail to comply with this requirement shall be discharged within thirty (30) calendar days after receipt of written notice by the 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 30-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 in 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 authorizes 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 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 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 off-set 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.

4. STEWARDS

The Association shall appoint stewards for employees in the bargaining unit. The names of the stewards shall promptly be made known to the Employer. There shall be one (1) steward, and one (1) alternate to represent each of the following groups of employees:

- Employees in the classification of Housing Inspector in the Buildings & Safety Engineering Department.
 - Employees in the classification of Housing Rehabilitation Specialist in the Planning & Development Department.
- A. The Stewards shall represent the Association regarding the provisions of this Agreement, and during their working hours, without loss of time or pay, shall investigate and present grievances to the Employer, after arrangements have been made with their supervisors.

This privilege shall not be abused. The Steward shall also act as safety representative for represented employees in his/her department.

- B. Any new employee shall be referred to the Steward before starting to work to be added to the Steward Report. Before any employee is transferred to a new department, laid off, suspended, or discharged, the Steward shall be notified one (1) working day prior to the transfer, layoff, suspension, or discharge.
- C. The Association President shall be permitted to take time off with pay to handle special conferences, grievances and participate in arbitration cases. Other duties associated with being Association President and directly related to wages, hours and working conditions of bargaining unit members may arise which must be addressed in the capacity of Association President during business hours. In this regard, any requested time off the job must be approved by the employee's supervisor; and any disputes referred to the department Human Resources office.
- D. The Association will provide the City with a current list of Stewards and their jurisdiction.

5. WORK WEEK, WORK DAY, SHIFT PREMIUM

A. STANDARD SERVICE WEEK:

- 1. The standard payroll work week shall begin at 12:01 a.m., Monday, and end at 12:00 p.m. Sunday. It shall consist of five (5) regularly scheduled eight (8) hour work periods on as many work days. The two (2) remaining days in the payroll work week shall be known as "off days".
- 2. The first scheduled "off day" within the payroll work week shall be designated as the "sixth day" and the second scheduled "off day" within the payroll work week shall be designated as the "seventh day".

Off days in the work week shall be scheduled consecutively unless such scheduling shall adversely affect or add cost to operations of the department.

B. SERVICE DAY AND WORK DAY:

- 1. The regular full working day shall consist of eight (8) hours of work in the service day exclusive of the lunch break. It shall begin at 12:01 a.m., and extend to 12:00 p.m.
- 2. Two coffee breaks of fifteen (15) minutes per shift shall be permitted in accordance with department practices.
- 3. When an employee is called to work, he/she shall be guaranteed no less than four (4) hours of pay for "show up" time at the appropriate rate.

C. **AFTERNOON AND NIGHT SHIFTS:**

1. Employees who work regularly scheduled afternoon and night shifts shall receive, in addition to their regular pay, a premium of seventy (70¢) per hour for the afternoon shift and a premium of seventy-five (75¢) per hour for the night shift according to Chapter 13, Article 2, Section 13 of the Municipal Code of the City of Detroit.

2. **Shift Premium Times:**

The afternoon shift shall be any full time shift starting between the hours of 11:00 A.M. and 6:59 P.M., inclusive.

The night shift shall be any full time shift starting between the hours of 7:00 P.M. and 3:59 A.M. inclusive, in accordance with Chapter 13, Article 2, Section 13 of the Municipal Code of the City of Detroit.

D. **Unless provided for otherwise in this labor agreement**, all of the provisions of this Section shall be in accordance with Chapter 13, Article 2 of the Municipal Code of the City of Detroit.

6. WORK WEEK ASSIGNMENTS

The regular work week for most employees is five (5) consecutive days, Monday through Friday. However, where departmental operations require six (6) and seven (7) day scheduling, the department head shall have the right to schedule accordingly.

The City agrees not to change an employee's shift or work week, on a temporary basis, solely for the purpose of avoiding the payment of overtime. This shall not apply to regular seasonal changes.

However, when operating conditions or changes therein necessitate the adoption of new work week schedules or changes in the present work week schedules, the affected department will discuss the matter with the Association prior to implementation of the changes. Should a dispute remain after such discussion which involves an alleged violation of this Agreement, the Association may submit a written grievance directly to the fourth (4th) step of the Grievance Procedure.

7. OVERTIME

A. The City has the right to schedule overtime work as required in a manner most advantageous to the City and consistent with the requirements of municipal employment and public interest. Such overtime shall not be scheduled so as to reduce the work force.

Overtime work shall be on a voluntary basis starting with the most senior employee. When there are not enough volunteers, overtime assignments shall be made according to inverse seniority. The voluntary overtime rule shall not apply where and an unexpected emergency arises or it is impractical to seek volunteers.

- B. Time and one-half [one-hundred and fifty percent (150%) of basic or hourly rate] will be paid to hourly-rated employees as follows:
1. All hours worked over forty (40) in one service week except if such time is worked on a seventh day or a holiday. Overtime hours worked (not to be credited at premium time) in excess of four (4) hours and not exceeding sixteen (16) hours in one service week may be substituted in lieu of an equal amount of an employee's regularly assigned forty (40) hours.
- C. Double time [two-hundred percent (200%) of the basic hourly rate] will be paid to hourly-rated employees for work on the seventh day of the work week schedules as defined by Chapter 13, Article 2, Section 12 of the Municipal Code of the City of Detroit.
- Double time [two-hundred percent (200%) of the basic hourly rate] will be paid for all time worked in excess of sixteen (16) hours from the employee's assigned starting time.
- D. When a schedule indicates a lunch period but conditions make it impractical to enjoy same, the employee or employees involved will be paid the prevailing rate in lieu of his/her lunch period. The provisions of this section shall not apply to employees whose work day is designated on a measured task basis. In no instance shall payments be made for lunch periods not worked.
- E. Premium payments shall not be duplicated for the same hours worked.
- F. All of the above shall be in accordance with Chapter 13, Article 2 of the Municipal Code of the City of Detroit.
- G. In each City Department management will attempt to reasonably equalize overtime, by classification and work location, whenever practical and possible.
- H. All overtime paid under this contract shall be computed solely on the basis of time actually worked by the employee.
- I. Notwithstanding the above paragraph, vacations and holidays shall be counted as time worked for the purposes of computing overtime.

8. SPECIAL CONFERENCES

- A. Formal inquiries from the Association or requests for special meetings will be directed to the Department concerned.
- B. Arrangements for such special conferences 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 Conferences shall be confined to those included in the agenda. Such conferences shall be held within seven (7) calendar days after the request is made unless extended by mutual agreement of the parties.

- C. Conferences shall be held between the hours of 9:00 a.m. and 3:00 p.m. The members of the Association shall not lose time nor pay for time spent in such Special Conferences.
- D. On certain matters that concern employees of more than one department, conferences will be arranged through the City's Labor Relations Division.
- E. Within ten (10) calendar days of the date of the Special Conference, the Employer will submit to the Association a written position statement on the matters taken up in Special Conference.

9. GRIEVANCE PROCEDURE

The grievance procedure contained in this Agreement shall be the exclusive grievance procedure for all members of the bargaining unit.

Should differences arise between the City and the Association during the term of this Agreement as to the interpretation and application of the provisions of this Agreement, an earnest effort shall be made to resolve such differences promptly and the following procedure shall be adhered to:

STEP 1: An employee who believes that any provision of this Agreement has not been properly applied or interpreted, may discuss his/her complaint with his/her supervisor, with or without his/her Steward. All parties shall discuss the complaint in a friendly and business-like manner and will make every effort to reach a satisfactory settlement at this point. The Employee shall have the right to discuss the complaint with his/her Steward before any discussion with the supervisor. The Supervisor shall make arrangements for the employee to be off the job to discuss the complaint with the Steward.

In cases where the Steward is involved, the Steward shall be allowed time off the job without loss of time or pay to investigate and process grievances that may arise under this Agreement. This provision shall not be abused. An aggrieved employee desiring the services of the Steward shall request permission from his/her supervisor, and permission shall be granted.

STEP 2: If the matter is not satisfactorily settled orally, a grievance may be submitted in written form by the Steward to the Division Head. The written grievance shall set forth the nature of the grievance and disposition requested, the date of the matter complained of, identify the employee or employees involved by name and signature so far as diligent effort will allow, and the provisions of this Agreement that the Association claims the City has violated. The Division Head's written answer shall be presented to the Steward within five (5) working days after receipt of the written grievance.

STEP 3:

- A. If the Division Head's answer is not acceptable to the Association, the Steward will refer the grievance to the Association President who may submit an appeal on an agenda listing the grievance(s) to be discussed with the Department Head or his/her designated representative.

- B. Within five (5) working days of the receipt of the appeal the Department Head or his/her designated representative will make arrangements for a meeting with the Association President and Steward involved and one other City representative. The Department Head may also invite a member of the Human Resources Department to attend this meeting.
- C. The Department Head or his/her designated representative will answer the grievance in writing to the Association President within ten (10) working days from the date of the meeting at which the grievances were discussed. Management's written answer after the Third Step meeting shall briefly state the factors considered by Management in its decision regarding the grievance.

STEP 4:

- A. In the event the dispute is not settled by the Department Head, it may be referred to the Labor Relations Division, within ten (10) working days of receipt of the Department Head's written answer, for review. The Association's written appeal to the Fourth Step shall state the facts in dispute and/or reasons for dissatisfaction with Management's Third Step answer.
- B. The Appeal and Review hearing shall consist of two (2) representatives of the Association and two (2) representatives of the City.
- C. These hearings will be arranged according to need and any Association representative who is employed by the City shall be allowed time off the job without loss of time or pay to attend hearings at Step 4.

The City shall submit a written answer to the Association President within twenty (20) working days of the Appeal and Review hearing on the grievance.

- D. If the grievance is not settled at Step 4 it may be referred to Arbitration (Step 5) within thirty (30) working days from the date of receipt of the City's answer at Step 4. All grievances not referred to Step 5, arbitration, within the prescribed time limits shall be considered settled based on the City's last answer.

STEP 5 - Arbitration

Any unresolved grievances which relate to the interpretation, application or enforcement of any specific Article or Section of this Agreement, or any written supplementary agreements or letters and memorandums of understanding appended to this Agreement, and which have been fully processed through the last step of the Appeal and Review Board of the grievance procedure, may be submitted to arbitration in strict accordance with the following:

- A. Arbitration shall be invoked by written notice to the other party of intent to arbitrate. If the parties are unable to agree upon an ad hoc arbitrator within ten (10) working days of such notice, the party seeking arbitration will secure a list of arbitrators from the Michigan Employment Relations Commission (MERC), the American Arbitration Association (AAA), or 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 one of the aforementioned agencies within a reasonable time,

not to exceed ninety (90) calendar 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 this 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 grievances appealed pursuant to provisions of the City Charter or to the Mayor pursuant to applicable State Law relating to Veterans Preference.
 3. Granting any wage increases or decreases.
 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, which is in the jurisdiction of the Human Resources Department.
- C. 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.
- D. All claims for back wages shall be limited to the amount of wages that the employee otherwise would have earned less any compensation received for temporary employment or unemployment compensation subsequent to removal from the City payroll.
- E. The decision of the arbitrator in a case shall not require retroactive wage adjustment in another case except by express agreement of the parties.
- F. 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 employee or employees, and on the Association.
- G. 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.
- H. The expense of the arbitrator shall be shared equally by the parties. The aggrieved and his/her local representative shall not lose pay for time off the job while attending the arbitration proceedings. Arbitration wherever possible, shall be conducted on the location where the grievance originated.
- I. The arbitral forum here established is intended to resolve disputes between the parties only over the interpretation or application of the matters which are specifically covered in this contract and any supplemental agreements which are or may become part of this Agreement and which are not excluded from arbitration.

- J. In case of dispute as to whether a pre-October 11, 1947, employee is excluded from the provisions of Article 3, and the matter is subsequently referred to the arbitration step of the grievance procedure, the arbitrator, upon a finding that the employee is included, shall refer the matter back to the City for collection of all amounts due, and the employee shall not be suspended, discharged or dismissed until the arbitration award has been rendered and the parties have had a reasonable time [not to exceed sixty (60) working days] to comply therewith.

10. STIPULATIONS TO THE GRIEVANCE PROCEDURE

- A. All grievance settlements shall be in accordance with the terms and spirit of this Agreement. Further, Labor Relations is authorized to make settlements on behalf of the City regarding any unresolved grievance properly appealed to Step 4 or Step 5 of the grievance procedure.
- B. 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.
- C. "Working Days" as used in the grievance procedure, shall include Monday through Friday and exclude Saturdays, Sundays, and holidays.
- D. The Association may withdraw a grievance without prejudice at any step of the grievance procedure.
- E. Any grievance not appealed in writing from a decision at Step 2 to Step 3 within five (5) working days or from a decision at Step 3 to Step 4 within five (5) working days shall be considered settled on the basis of the City's last answer to the grievance.
- F. 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.

11. USE OF PAST RECORD

In imposing any discipline on a current charge, the department will not take into account any infractions which occurred more than fourteen (14) months previously.

12. ASSOCIATION RESPONSIBILITIES

- 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, rendering loyal and 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 City services.
- D. Any employee who participates in any of the above activities shall not be paid for such time and the Association agrees not to process any grievances regarding such matters.

13. SENIORITY

- A. SENIORITY is hereby defined as the length of continuous service after initial date of legal certification to a position, the duration of which is ninety (90) calendar days or more, or is seasonal or after date of induction into the classified service as provided by law. Employees who are certified on or after July 1, 1978 and are not appointed within thirty (30) days of such certification shall have their appointment date 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 the layoff and re-employment of employees. The above definition of seniority shall not restrict or limit the Association and individual departments from agreeing upon measures of seniority other than total City seniority (such as time with the department or seniority in the classification) for internal departmental purposes such as vacation selection, work assignments, overtime or other purposes where seniority is a factor as provided in the Master Agreement or any Supplemental Agreements.

No seniority employee shall suffer a reduced work week to enable the City to continue the employment of a non-seniority employee.

NOTE: Seniority is not the same as "service time" as utilized for the various economic benefit provisions.

- B. The City will furnish to the Association on a quarterly basis, a seniority list showing each employee's name, address, department, classification, pension number, and total City seniority date. This information will 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. He resigns or quits.
 - 2. He is discharged or permanently removed from the payroll and the separation is not reversed through the grievance procedures.
 - 3. He does not return to work when recalled from layoff as set forth in the recall procedure.

4. He retires on regular service retirement.
 5. He does not return at the expiration of an approved leave of absence.
- D. **Suspension of Seniority Credit:** An employee shall not continue to accumulate seniority credit for the following reasons:
1. Leaves of absence exceeding one (1) year.
 2. Layoffs exceeding four (4) years.
 3. Other absences from active service specified in Human Resources Department Rules.
- E. Any 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 those three 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.

Unabling emergency shall mean any physical or mental incapacity or other extenuating circumstances which prevented the employee from notifying the employer of his/her inability to report to work. Terminations under this provision shall be treated in the same manner as resignations.

14. 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 initially certified new hires, employees transferred or promoted, employees recertified to a new title, reinstated employees and other cases as provided in Human Resources Department Rules.
- B. The length of the probation period for all employees hired, promoted, transferred or placed into all classifications in the bargaining unit shall be six (6) months.
- C. In the case of initially certified new hires and others initially placed in the bargaining unit, the Association shall represent the employee during the probation period for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment except separated, reverted and suspended employees for reasons other than Association activities.
- D. During an employee's initial hire probation period, the employing department may, in accordance with Human Resources Department Rules, extend the probation period or take action to separate the employee as a probationary employee. In the case of an unsatisfactory employee who has classified status, the employing department may extend the probation period or take action reverting the employee to his/her former classification,

unless a discharge for cause is appropriate. In all cases where an employee's probation is extended, the employing department shall notify the Association President.

- E. When an employee satisfactorily completes the probationary period he/she shall be entered on the seniority list for the classification in which he/she is employed.

15. SENIORITY OF ASSOCIATION REPRESENTATIVES

Notwithstanding their position on the seniority list, all Association representatives who are involved in the grievance procedure shall in the event of a layoff or demotion be continued in the following order as long as there is:

1. Work in their classification in their department
2. Work in any lower class in their series in their department
3. Work in a classification in their jurisdiction which they formerly held in their department
4. Work in a lesser class in their jurisdiction in their department in which they can do the job, and
5. If laid off, shall be recalled whenever there is work in any such class in the department from which they are laid off.

The provisions of this Article shall apply to the Association President and stewards of record, and shall apply only so long as they hold their respective offices.

Should the Association President or steward lose his/her office, he/she shall be subject to displacement by employees with greater seniority and who have been laid off or demoted as a result of reductions in force made prior to the loss of office. Upon written notice from the Association to the Certification Division of the Human Resources Department that such loss of office has occurred, the City shall have up to thirty (30) days to investigate and make any required displacements.

16. 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, Section 8, currently provides a death benefit of \$10,000.00.

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 recommends a change in the above amount, the parties will negotiate regarding such recommendation.

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 the Finance Director a 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/her 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:**

<u>Cost of Employee</u>	<u>Amount of Insurance</u>
70¢ per week	\$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>Option 1</u>	<u>Amount of Insurance</u> <u>Option 2</u>
\$12,500 to \$15,000	\$15,000	\$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, subject 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.

17. LONGEVITY PAY

- A. Employees hired prior to February 16, 2010 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. Effective with the qualifying period that begins December 1, 2009, and all subsequent longevity payments issued on or after December 1, 2010, employees who have qualified for longevity pay but have received a suspension of ten (10) work days or greater during the year immediately preceding any December 1 date or other day of payment shall not qualify for a longevity payment for that year.

In the event an employee has been disqualified for a longevity payment due to receipt of a ten (10) work day suspension or greater, and said disciplinary action is rescinded or reduced below the ten (10) work day threshold, the employee shall receive payment of the disallowed longevity payment.

- C. Employees who have qualified for longevity pay and have accumulated at least sixteen hundred (1,600) 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 1 date or any other day 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 h/she failed to meet the qualifying hours specified in paragraph B above due to being on Workers' Compensation.

- D. 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.
- E. Prorated longevity payments may be made between December 1 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.
- F. 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.
- G. In no event shall those employees hired on and after February 16, 2010 be entitled to Longevity Pay.

18. HOSPITALIZATION, MEDICAL, DENTAL AND OPTICAL CARE INSURANCE

Current bargaining unit members will not be eligible to enroll in the Alternative Health Care Plan until the open enrollment period following the end of thirty-six (36) months with an effective date of July 1st of that year.

- A. The City shall continue to provide hospitalization and medical insurance for employees and their legal dependents, duty disability retirees and their legal dependents, duty death beneficiaries and their legal dependents. Effective July 1, 2006, the co-pay for the Prescription Drug benefit was increased to five dollars (\$5.00) for generic and fifteen dollars (\$15.00) for brand name. Non-duty disability retirees are not eligible for hospitalization-medical or prescription drug insurance coverage.

Hospital/Medical insurance coverage for employees hired/re-instated prior to February 16, 2010 shall begin on the first day of the first full pay period, and end on the last day of the month that employment ends.

Hospital/Medical insurance coverage for employees hired/re-instated on or after February 16, 2010 shall begin on the first day of the month following three (3) months of service, and end on the last day of the month that employment ends. For the first five (5) years of employment hospital/medical insurance enrollment opportunity shall be limited to Community Blue PPO and HMO plan options available under the City Medical Design Plan II (formerly known as the "Mercer Design Plan"). The Blue Cross Traditional Plan is not an available plan option. Eligibility to apply for enrollment in the Alternative Health Care option design plans will begin at the open enrollment period following the end of the five (5) years of service with an effective date of July 1st of that year.

- B. The City will pay up to the following amounts per month for Blue Cross/Blue Shield Traditional Plan hospitalization/medical insurance:

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

Fifty percent of any premium charges that exceed the above amounts shall be paid by the employees and fifty percent shall be paid by the employer.

- C. Effective February 16, 2010, the City will no longer provide employees the option to insure sponsored dependents.
- D. The City will provide regular retirees and their spouses who are enrolled in the Blue Cross/Blue Shield Traditional Plan 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 (\$2.00) co-pay (Certificate #87)¹, known as the two dollar (\$2.00) 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 and non-duty disability retirees) on or after July 1, 1986, the City will pay up to the following amounts per month for Blue Cross/Blue Shield Traditional Plan hospitalization and medical insurance:

Single person	\$100.06
Two person	\$238.29

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

¹ The \$2 deductible Drug Rider (Certificate #87 as referenced above, reflects the benefit at the time the premium sharing arrangement was instituted. Currently, the co-pay for the Prescription Drug benefit is \$5 for generic and \$15 for brand name drugs (retail – 30 day supply). In July 2004 the City made available to retirees who are eligible for health care coverage the option of choosing the Blue Cross Community Blue PPO plan. From the inception the prescription drug co-pays for the Blue Cross Community Blue PPO plan was \$10 for generic and \$20 for brand name drugs (retail – 30 day supply).

- E. The City Blue Cross/Blue Shield Traditional 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 one hundred seventy five dollar (\$175.00) per person annual deductible three hundred fifty dollars (\$350.00) for two or more in a family).
- F. Employees and retirees shall have the option of choosing alternative hospitalization medical coverage from plans or programs made available by the City. The City's contribution to the alternative plans or programs shall be limited to the following:

Alternative Health Care Design Plans (AHCD) – Blue Cross Community Blue PPO 90% of the monthly premium; all HMO plans 80% of the monthly premium.

City Medical Design (CMD) Plan II options (formerly known as the "Mercer Plan") – Blue Cross Community Blue PPO and all HMO plans 80% of the monthly premium.

The employee's contribution toward the component premiums (i.e., one person, two persons, family) for Blue Cross Community Blue PPO (AHCD) plan shall be capped at 10% of the monthly premium; and for Blue Cross Community Blue PPO (CMD Plan II) and all HMO plans shall be capped at 20% of the monthly premium.

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.

Effective February 16, 2010, coverage for employees hired or reinstated shall begin on the first day 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. Employees will make a carrier selection during

the enrollment period which will be effective for the following two (2) years. Effective July 1, 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 coverage for employees hired/re-instated prior to February 16, 2010 shall begin on the first day of the month following the employee completing 60 days of service. Coverage ends on the last day of the month that employment ends.

Optical coverage for employees hired/re-instated on or after February 16, 2010 shall begin on the first day of the month following the employee completing six (6) months of service. Coverage ends on the last day of the month that employment ends

- I. If, during the term of this Agreement, a Federal Health Security Act (National Health Insurance) is enacted, the parties agree to reopen discussions with respect to health care benefits if there is need to do so due to the impact of such a Federal program.
- J. 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 Union and City representatives as directed.
- K. 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.
- L. 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, (opt-out stipend) payable quarterly at the end of each three month period, in lieu of the hospitalization-medical coverage offered by the City. Effective with the implementation of the new HR/payroll system this opt-out stipend will be paid equally during each applicable pay cycle. This opt-out election shall take place annually during the open enrollment period.

Once an employee elects that 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.

- M. A spouse who is or becomes divorced from an employee or a retiree (divorced spouse) is not entitled to healthcare coverage under this Agreement under any circumstances.

If a retiree marries or remarries after retirement, the new spouse is not entitled to healthcare coverage under this Agreement under any circumstances.

The child, of a divorced spouse or a new spouse of a retiree who is neither the biological, legally adopted nor legally guardian child of the employee or retiree is ineligible for dependent healthcare coverage under this Agreement.

- N. 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.
- O. **Mandatory Generic Drugs:** Prescription drug coverage under all City of Detroit health care plans shall require the use of generic drugs, unless determined that a brand name drug is medically required or a generic equivalent is not available. If the brand name drug is requested, but is not medically required or a generic drug is available, the employee, retiree or covered dependent must pay the applicable brand name co-pay amount plus the difference between the cost of the generic drug and the brand name drug. This requirement applies even if the prescribing physician has indicated "dispense as written" or "DAW" on the prescription. This mandatory generic drug requirement shall be administered by BCBSM for BCBSM-administered or insured plans, and for other City carriers by their medical insurer or administrator. Final resolution to any appeal will be handled by the medical insurance carrier or administrator.
- P. Enrollment for medical coverage for retirees who are Medicare-eligible shall be limited to the Medicare Advantage option plans offered by the City. In the event such Medicare Advantage plans are no longer offered or cost effective, enrollment in alternate plans will be permitted as determined by the City.
- Q. 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 defined by Medicare that permits the employer to be a secondary payee for insurance, 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 the amount paid for Medicare after submission of required proof of enrollment and payment. This reimbursement for the cost of Medicare provision only applies to employees and their eligible dependents, while the employee is on the active payroll. This benefit does not apply to retirees or dependents covered under the City retiree's health care contract.

Currently, all retirees and their dependents that 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.

Accordingly, any person who is eligible for hospital/medical coverage under this agreement and who is Medicare-eligible shall furnish the City's Benefits Administration Office a copy of his/her Medicare card which confirms that he/she has obtained Medicare Parts A and B or documentation from the Social Security Administration that verifies ineligibility in order to continue to receive any hospital/medical coverage under this

Agreement. Failure to enroll in Medicare, provide required Medicare documentation or maintain Medicare Parts A and B coverage will result in coverage termination. If coverage is terminated, re-enrollment will not be permitted until the next scheduled open enrollment period. Required documentation, i.e., proof of Medicare coverage, must be presented with the enrollment application. If reenrollment is approved, the coverage shall be reinstated prospectively only. (Generally, open enrollment occurs in the spring of the year, with a July 1st coverage effective date).

- R. Consistent with current practice, if an employee retires with 25 years of credited service but less than 30 and receives an actuarially reduced pension, (referred to as the Actuarially Reduced 25 Year Option of the Retirement Plan) he/she may participate in the City's group retiree hospital-medical plans at full cost for the coverage. The City shall make no contribution to the monthly premiums for this hospital-medical coverage until such time as this retiree reaches what would have been his/her 30th year anniversary which would have qualified him/her for a regular service retirement. Upon reaching his/her 30th year, the City will contribute to the cost of the retiree and spouse's health care based on the contribution formula and rules in effect at time of qualification for regular retirement at the 30th year.
- S. For employees hired on or after February 16, 2010, hospital/medical and prescription benefits shall cease for retirees and their spouses after the retiree (or medical contract holder) becomes Medicare eligible by age; the current Medicare eligible age requirement is 65.
- T. Effective February 16, 2010, employees who retire and who are qualified to receive the City's hospitalization-medical insurance as a retiree shall at any time the retiree is receiving said coverage, be entitled to the same coverage opportunities then available to the active employees (plus, Medicare Advantage plans as specified in P above) and utilizing the same co-premium calculation formula to determine amounts payable by retirees for the retiree and his/her spouse.
- U. Health Habits and Reproductive Prescription Drugs: Effective February 16, 2010, all health habits, reproductive (fertility), and lifestyle prescription drugs EXCEPT FOR SMOKING CESSATION AND WEIGHT LOSS will no longer be covered under the City's prescription drug program.
- V. 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 (19 – 25 year old dependent children) must also provide proof that the dependent is enrolled in an accredited school as a full-time student (carrying 12 credit hours each Fall and Winter term) in order for that dependent to be eligible for continued coverage. Effective February 16, 2010, the age requirement for family continuation dependents shall be changed from age 19 through 25 to age 19 through 22.
- W. There shall be no duplicate hospitalization-medical insurance coverage or payments in lieu thereof provided employees or future retirees of the City. If the City employs more than one member of a family, or the family unit includes a retiree of the City, all of whom could be eligible for coverage under one hospital-medical insurance policy or plan as a

spouse or eligible dependent, the spouses or eligible dependents of that family shall be covered by only one spouse or the other. It is the responsibility of the family to select a single hospitalization carrier. Under no circumstances shall the City be obligated to provide more than one hospitalization-medical policy or plan.

Consistent with current practice, all employees, retirees, and their dependents, who receive healthcare coverage under this Agreement, must disclose to the City the existence of any other source of healthcare benefits. In all such cases, full coordination of benefits will apply at all times.

- X. Effective July 1, 2010, if an employee/retiree's spouse has hospitalization-medical coverage available to him/her under a plan offered by his/her employer (other than the City of Detroit), said spouse must enroll in that employer's hospitalization/medical plan for employees or retirees in order for the spouse to be eligible for medical coverage through the City of Detroit. In such cases, if the spouse of the employee or retiree is also enrolled in the City's hospitalization-medical plan, the City will be the secondary insurer/payer. This provision does not apply in those instances where the employee/retiree and spouse are both employed by the City of Detroit. (See Paragraph W as referenced above)

- Y. Coalition Bargaining: In addition to the above noted provisions, the parties agree to continue to bargain and to work collaboratively toward establishing cost saving measures for Healthcare benefits as well as resolve issues that may arise with the implementation of the new HR/Payroll and Benefit System. If the parties agree to further changes during the course of this Agreement, such changes shall be implemented upon ratification of the bargaining unit and approval by City Council, and thereafter, incorporated into this Master Agreement. Examples of Continued Cost Saving Measures for medical, dental, optical and life insurance plans include, but are not limited to:
 - 1. Post-Retirement Employment (City is Not Responsible for Retiree Healthcare if Employee is Eligible for Healthcare Through His/Her Post Retirement Employer, that is Substantially the Same as the City's Plan, During the Period of Other Employment)
 - 2. Auto-Related Accidents Coverage (Primary Insurer—Automobile Insurance Plan; Secondary Insurer—City Medical Plan)

Note: The two-tier system for new hires referenced in this Note will be implemented when the City's Payroll System has the capability. (See Memorandum of Understanding – RE: HR/Payroll Systems.)

19. SICK LEAVE

- A. All employees hired prior to February 16, 2010 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 80% of their scheduled hours, not to exceed twelve (12) sick leave days in any one fiscal year. Those employees hired on or after February 16, 2010 who shall have completed three (3) months of continuous service shall be granted

one (1) date sick leave for every service month in which they have worked 80% of their scheduled hours, not to exceed ten (10) sick leaves 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.

The service month shall be as defined in the July 3, 1995, Finance Department Memo entitled Sick Leave Accrual Processing, a copy of which is available for review by the Association. 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 1st to each employee hired prior to February 16, 2010 who was on the payroll the preceding July 1st 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. Those employees hired on or after February 16, 2010 shall not be eligible for Reserve Sick Leave.
- 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. 1. Employees hired prior to February 16, 2010 who have accumulated a total of fifty (50) or more unused sick days on July 1st 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 1st</u>
0	6
½ or 1	5 ½
1 ½ or 2	5
2 ½ or 3	4 1/2
3 ½ or 4	4
4 ½ or 5	3-1/2
5 ½ or 6	3
6 ½ or 7	2-1/2
7 ½ or 8	2
8 ½ or 9	1-1/2
9 ½ or 10	1
10 ½ or 11	1/2
11 ½ or more	0

- 2. Employees hired prior to February 16, 2010 who have accumulated a total of at least twenty-five (25) days 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:

**Sick Leave Days Used
In Previous Fiscal Year**

**Bonus Vacation Days
To Be Credited on July 1st**

0 - 2	3
2 ½ or 3	2½
3 ½ or 4	2
4 ½ or 5	1½
5 ½ or 6	½
More than 6	0

Those employees hired on or after February 16, 2010 shall not be eligible for Reserve Sick Leave.

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

- F. **Reserve Sick Leave Usage:** Reserve sick leave is not available for usage as Departmental Leave Days
- G. Employees will have access to Departmental Leave Days in accordance with the Municipal Code and the Manual of Standard Personnel Practices. Departmental Leave Days can only be granted from the current sick leave bank. 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.

Note: The two-tier system for new hires referenced in this Note will be implemented when the City's Payroll System has the capability. (See Memorandum of Understanding – RE: HR/Payroll Systems.)

20. 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 and submits documentation of such upon return to work, 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 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 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, 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 and

submits documentation of such upon return to work. If the funeral 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. Provided he/she submits documentation of such upon return to work, the Association President or his/her designee, with proper notification to the department, shall be allowed one (1) funeral day, not to be charged to sick leave, in order to attend the funeral of City employee who was a member of his/her Association on the day prior to his/her death.
- F. Employees hired on or after February 16, 2010 are not eligible to receive reserve sick leave.

Note: The two-tier system for new hires referenced in this Note will be implemented when the City's Payroll System has the capability. (See Memorandum of Understanding – RE: HR/Payroll Systems.)

21. RETIREMENT

- 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.

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.

The above paragraphs 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. This age requirement shall apply to both the Regular Service Retirement with thirty (30) years of service and for pension calculation purposes to the Early Service Retirement (actuarially reduced) with twenty-five (25) or more years of service.

- 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. Subject to the provisions in Section O, 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 24 of this labor agreement or 2) chose to receive payment of one-quarter (1/4) 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.
- 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 February 16, 2010, any employee covered by this agreement, who is seeking a duty disability retirement, shall have an examination conducted by an independent medical examiner (IME). If the IME concludes that the employee's physical or medical condition does not relate to his/her employment with the City of Detroit, the employee shall not be eligible for the duty disability retirement.
- L. 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.

- M. 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.
- N. The post retirement escalator factor shall increase from 2.0% to 2.25% of original base pension effective July 1, 1992.
- O. Employees shall have the option of selecting from two additional surviving beneficiary options of 25% and 75%.
- P. Annuity Contribution Amounts: The City will offer 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% annuity contribution.
- Q. 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 by the Executive Branch in November-December, 1997.
- R. 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."
- S. 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.

NOTE: All of the above provision changes will be presented to the Internal Revenue Service and are subject to being final only upon a determination that they are acceptable and approved and will not harm the current favorable tax-exempt status of the General Retirement System.

22. 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, the employee shall be paid mileage at the current IRS per mile rate

subject to change when that rate changes higher or lower. In addition, \$3.00 per day is to be paid for each day an employee is required to use his car for City business.

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 the employee 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. In the event that a bargaining unit member is regularly assigned to a location outside the City of Detroit, the travel allowance shall be as follows:

1. For employees reporting for work at North Service Center - \$5.00 per day travel allowance.
2. For employees reporting for work at Southwest Station - \$3.00 per day travel allowance.
3. For employees reporting for work at Ford Road Booster Station - \$1.50 per day travel allowance.
4. For employees assigned to Lake Huron Station - \$18.00 per day travel allowance. Employees permanently assigned to Lake Huron Station shall be ineligible for this payment 18 months after their assignment to this location.

D. Accident Payments

When an employee is involved in an accident while on City business resulting in damage to his automobile in excess of \$50.00, the City will pay for unrecoverable collision damage in excess of \$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.

- E. In the event of an automobile breakdown during regular working hours, the time which an employee is allowed for servicing and repairing his automobile is to be determined in accordance with the established department procedures.
- F. When an employee covered by this Agreement is regularly assigned to a job which requires the use of an automobile during his normal working hours, he shall be required to furnish said car.
- G. In order to receive mileage reimbursement an employee must actually use an automobile on City business. However, if as a condition of employment an employee must bring his/her car to work, then the City must pay the daily rate, regardless of whether it is used or not. If the employee brings the car to work by his/her own choice and does not drive it on City business, then no payment is to be made.

23. 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 hired prior to February 16, 2010, shall be entitled to three (3) swing holidays in each fiscal year. Employees hired on or after February 16, 2010 shall not be entitled to Swing Holidays.

- 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 Pay provided he/she shall have received at least eight (8) hours of pay exclusive of overtime and sick leave pay the day before and the day 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 a formal leave of absence granted by the Human Resources Department (generally over 30 days), is on Workers' Compensation, 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 effective in the year 2005 and thereafter or the last 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 and for Veteran's Day, and the day after Thanksgiving, and Election Day as designated by the City Council. For employees hired prior to February 16, 2010, an additional Swing Holiday shall be granted 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, but not 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 sick pay. If he/she works either of the two 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.

- K. 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 this period will contact their department Human Resources Officer for available placement in another department.

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

December 22, 23, 26, 29, 30, 2008
December 21, 22, 23, 28, 29, 30, 2009
December 20, 21, 22, 23, 28, 29, 30, 2010
December 19, 20, 21, 22, 27, 28, 29, 2011

The City shall notify the Association by November 1st of each year of whether it intends to implement a holiday closedown.

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

The City reserves the right to use mandatory budget required furlough days for any of the dates during the optional holiday closing seasons.

Note: The two-tier system for new hires referenced in this Note will be implemented when the City's Payroll System has the capability. (See Memorandum of Understanding – RE: HR/Payroll Systems.)

24. 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 one-half percent (50%) of their unused sick leave. Effective February 8, 2005, the payment shall be increased to sixty percent (60%) of the employee's 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.

25. 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 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 1 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.

Employees hired on or after February 16, 2010, shall not be eligible for vacation leave without deduction of pay until they shall have earned at least one thousand (1000) 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. In order that an employee's time may be computed on a fiscal year basis, on the July 1 following his first 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 five (5) days and rounding the product to the nearest whole number. Thereafter, his vacation shall be computed on a fiscal year basis.

The maximum vacation days earned in a fiscal year for an employee hired on or after February 16, 2010 with fifteen (15) or more years of service shall be fifteen (15).

B. **VACATION SCHEDULE:**

The vacation schedule for employees hired prior to February 16, 2010 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

The vacation schedule for employees hired on or after February 16, 2010 shall be as follows:

0-6 months	No vacation
6 months through 5 years	5 days
6 years	6 days
7 years	7 days
8 years	8 days
9 years	9 days
10 through 12 years	12 days
13 years	13 days
14 years	14 days
15 years or more	15 days

C. VACATION PERIOD:

1. Vacations will, insofar as possible, be granted at a time most desired by employees according to their seniority and in accordance with established department procedures.
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 1 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 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 vacation.

In the special situation, 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.

New employees hired on or after February 16, 2010 who have attained status for at least twelve (12) months but have not yet been placed on a fiscal year basis and who are separate 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 five (5) 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, or date of separation, whichever comes first, the employee will have any vacation time credited but not 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 sixty (60) 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 Article 23, 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 sixty (60) 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.

Note: The two-tier system for new hires as referenced in this Article will be implemented when the City's Payroll System has the capability. (See Memorandum of Understanding – RE: HR/Payroll Systems)

26. JURY DUTY

- A. An employee who serves on jury duty will be paid the difference between his pay for jury duty and his regular pay for all days he is required to serve on jury duty in accordance with the Common Council Resolution of March 16, 1965, J.C.C. page 459, as will be amended.
- B. 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 or due from such jury duty, less any mileage allowances paid for the jury service, from the employee's pay.

27. 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 under the Michigan Employment Security Act.

B. Supplemental Unemployment Plan (SUB)

Subject to all of the following rules and qualifications, employees shall be entitled to Supplemental Unemployment Benefits.

Section 1. Application for Supplemental Unemployment Benefits.

No employee shall be eligible for SUB unless and until he/she shall have made due application therefor 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 SUB 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 lay-off;
 - 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 to 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:

- a) 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;
- b) to investigate the correctness and validity of information furnished by any person who applies for a benefit;
- c) to make appropriate determinations pursuant to this Article;
- d) 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 Supplemental 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. All compensation received under this Article shall be offset against any claim for back wages.

28. 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 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. **Returning Employees to Active Employment:**

1. Consistent with the Workers' Compensation Act and current City practices, 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 their 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 Association having jurisdiction over employee's in that classification and at that location. However, residual seniority rights to the employees former classification shall remain with his/her former local or other Association. An employee in an alternate classification on a permanent basis continues to have a right to return to his former job classification in his/her 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.

29. SAVINGS CLAUSE

If any Article or Section of this Agreement or any supplement thereto, 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 and supplements 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.

30. WAIVER OF BARGAINING RIGHTS

The parties acknowledge that for the life of this 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.

31. REDUCTION IN FORCE

In the event of a reduction in force affecting members of the bargaining unit, the procedure shall be as follows:

SECTION I - 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 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.

- A. 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 employee 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.
- B. 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 Rule.)

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 permit, 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; and if there are no lesser seniority employees in the same classification, shall have the right to displace lesser seniority employees in a lower class in the

same occupational series. 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 Rule.)

Employees with permanent status who have been demoted/to a lower classification due to a 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 re-certification, 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 re-certified 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.

SECTION 5 - EFFECT OF JURISDICTIONAL LINES

The order of layoff, 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 Section, 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 layoff 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 LAYOFF 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 had they been laid off as scheduled.

SECTION 9 - STATUS CHANGES IN ANTICIPATION OF LAY OFFS

Where the Human Resources Department shall find that any status change were 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 month's standing.

32. WAGES

A. GENERAL WAGE INCREASES:

- 1. Effective July 1, 2008 0%
- 2. Effective July 1, 2009 0%
- 3. Effective July 1, 2010 0%
- 4. Effective July 1, 2011 0%

Members of the bargaining unit will be required to take twenty-six (26) mandatory budget required furlough (BRF) days without pay for three (3) consecutive 12-month periods. To achieve uniformity among its various bargaining units and equitable treatment of employees, the City has the right to determine the date that the BRF three (3) consecutive 12-month periods will commence. It is understood by the parties that the completion of the three (3) consecutive 12-month periods will exceed the contract period of the Master Agreement.

If for any reason an employee is required to work on any mandatory budget furlough day, a substitute furlough day without pay must be scheduled by the Department and taken by the employee to ensure that the twenty-six (26) mandatory budget furlough days without pay requirement will be met during each twelve month period.

It is the City's goal to achieve a 10% reduction in scheduled work hours with all of our labor organizations. The parties understand, however, that certain bargaining units provide services to the public that on occasion must be delivered in an immediate or emergency manner or on a twenty-four (24) hour seven (7) day per week basis, and/or services that generate funds or revenue for the City, or are covered by Act 312. So, under these circumstances the 10% reduction in scheduled work hours may not occur.

The mandatory budget furlough days will impact the following economic provisions as specified below:

OVERTIME

If an employee is scheduled to work less than 40 hours in a work week due to mandatory budget furlough time off, overtime for that work week shall not be payable until the employee works 40 hours in that work week.

RETIREMENT

The period of reduced regular wages due to mandatory budget furlough time off 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 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 mandatory budget furlough 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 mandatory budget furlough 10% hours reduction.

LONGEVITY

The minimum 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 mandatory budget furlough schedule.

33. MISCELLANEOUS PAY PRACTICES

- A. All salaried employees will have their hourly rate computed by dividing their annual salary by 2080 hours.
- B. 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).
- C. 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 officer.

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.

- D. The City agrees to provide the Association with twenty-five (25) copies of this Agreement.

34. TUITION REFUND PROGRAM

- A. Effective January 1, 2010, the City's Tuition Refund Program is suspended for the balance of the 2008-2012 contract period. No reimbursement/payment shall be made for course work or employment development program ending after December 31, 2009. Effective July 1, 2012, bargaining unit members with a minimum of three (3) years of service may participate in the City's Tuition Refund Program in accordance with the policies as administered by the Human Resources Department. Employees requesting a tuition refund should submit the applications to the Human Resources Consultant/Manager servicing their department. Eligibility to participate in the tuition refund program will begin after attaining three (3) years of service, prior to the start of the course or employment development program.
- B. The maximum amount of the tuition refund shall be as indicated below:

1. 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.
2. 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.
3. 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.

35. SUB-CONTRACTING

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 or intention of undermining the Association nor to discriminate against any of its members nor shall any seniority employee be laid off or demoted as a direct and immediate result of letting a contract.

The City agrees that the Association will be notified prior to any action which will directly affect the membership.

36. DURATION

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, 2012.

If either party desires to modify this agreement, it may give notice to the other party as early as April 30, 2012.

In the event the parties fail to arrive on a successor agreement on wages, fringe benefits, other monetary matters, and non-economic items by June 30, 2012, this current 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, 2012.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

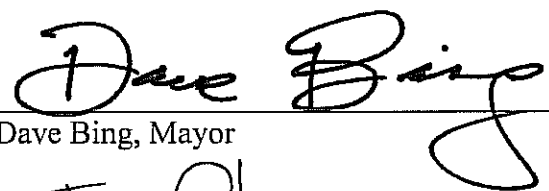
Dated this 10th Day of August, 2010.

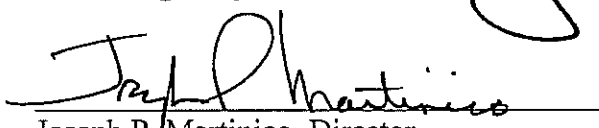
ASSOCIATION OF
MUNICIPAL INSPECTORS

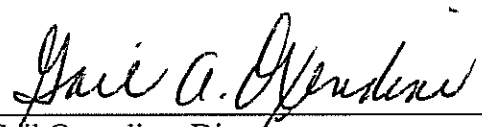

Michael Neil, President



James Mayesky, Vice President

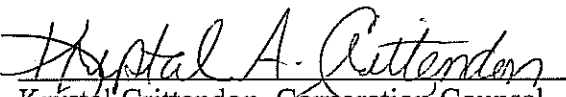
CITY OF DETROIT


Dave Bing, Mayor


Joseph P. Martinico, Director
Labor Relations


Gail Oxendine, Director
Human Resources Department


Norman L. White, Chief Financial Officer
Finance Department


Krystal Crittendon, Corporation Counsel
Law Department

**APPROVED AND CONFIRMED BY
THE CITY COUNCIL** 9-14-10

DATE


**JANICE M. WINFREY
CITY CLERK**

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

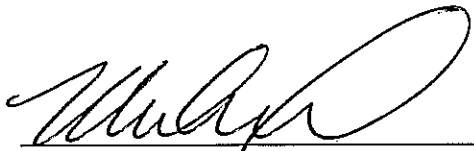
RE: Equal Employment Opportunity and Affirmative Action

- A. In compliance with Local, State and Federal Law, 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, religion, national origin, sex, sexual orientation, age, political orientation, or non-disabling handicap, 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.

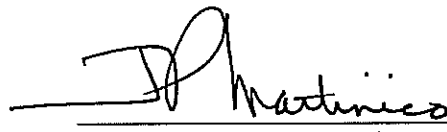
In accordance with this provision, the City agrees:

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.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS


RE: Cooperation With the Americans With Disabilities Act

The parties acknowledge their joint and severable obligations to comply with the provisions of the Americans With Disabilities Act of 1990 (ADA) which became effective on July 26, 1992. The parties agree that no provision of the Labor Agreement shall conflict with the ADA.

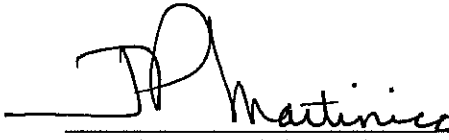
Furthermore, as new administrative or legal rulings related to compliance with this legislation may be issued from time to time, the parties agree to cooperate and meet in special conferences to discuss concerns and attempt to work out problems associated with its operation.

And, notwithstanding the Savings Clause in the Labor Agreement, which provision requires the re-negotiation of sections of the Labor Agreement under certain conditions, the parties agree that if they jointly conclude that a provision of the Labor Agreement or this Memorandum violates the ADA they will renegotiate a replacement provision.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

RE: Temporary Assignments

The parties agree that for bargaining unit members the existing rules regarding temporary assignments shall continue to be applicable to these employees as set forth below.

Employees shall be regularly assigned to perform duties commensurate with their job classifications and shall not be assigned work outside of their current classifications except in cases of emergency or temporary absences of other employees, and where reassignment of duties is necessary to effectively carry out departmental operations. Emergency conditions shall be defined as those situations caused by factors beyond the control of management such as acts of God which cannot be anticipated or planned for in the normal course of departmental operations.

For purposes of this Article, an employee is deemed to be working "out of class" if he/she is reassigned by management from his/her regularly assigned duties to perform duties and responsibilities not normally performed and characteristic of and requiring the qualifications of a higher classifications. Assignment of some duties normally performed by an absent employee shall not constitute an out-of-class assignment if such duties are appropriate to the classification of the person assigned.

If an employee is so assigned the duties of a higher classification to replace an absent employee for two (2) or more consecutive work days and/or a total of four (4) or more days in any calendar month, he/she shall be compensated on an out-of-class basis at the rate for the appropriate classification for all such out-of-class hours worked.

For short-term out-of-class assignments resulting from absences due to use of sick days, vacation, departmental leave, etc., the most senior pre-qualified employee in the same work unit shall be offered the out-of-class work provided he/she is readily available and able to do the work. Pre-qualified shall mean being on the most recent promotional list for the class. If there is no pre-qualified employee in the work unit, the out-of-class assignment shall be offered to the most senior person in the unit provided he/she is readily available and able to do the work.

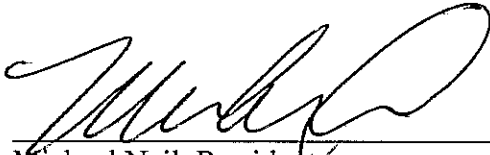
For long-term out-of-class assignments resulting from absences due to extended illness, formal leaves of absence, scheduled future retirements, etc., which are anticipated to extend beyond three (3) months, the most senior pre-qualified employee in the same work unit shall be temporarily promoted for the duration of the regular employee's absence provided he/she is readily available and able to do the work. Pre-qualified shall mean being on the most recent promotional list for the class. If there is no pre-qualified employee in the work unit, the most senior pre-qualified employee in the department will be given consideration for transfer and temporary promotion to the available position provided he/she is readily available and able to do the work and provided it does not adversely affect departmental operations.

If a disagreement exists with respect to the interpretation of a work unit as it pertains to the above provisions, the parties agree to resolve this issue during supplemental negotiations. If a mutual agreement cannot be reached regarding the application of this Article to a particular department, the matter will be referred back to the City's Labor Relations Office for a resolution.

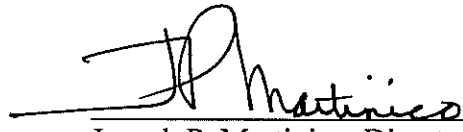
The parties recognize that out-of-class work assignments shall not be used to circumvent established procedures for filling vacant positions by transfer or promotion nor shall supervisors avoid out-of-class payment by arbitrarily alternating out-of-class assignments.

If the Association or the employee believes that the employees is regularly assigned duties outside of his/her current job classification, the Association or the employee may request the Human Resources Department to conduct a classification survey of the employee's position.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

RE: Labor/Management Committee

The parties acknowledge a need to establish a means for a continuing dialogue between management and Association 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 within each Department.

Composition of the Committee shall consist of the Association President, and up to two (2) other bargaining unit members, and up to three (3) management persons. Appointment of the Association and management representatives shall be on an ad hoc basis; that is, committee members can be chosen based on the item(s) on the meeting agenda.

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

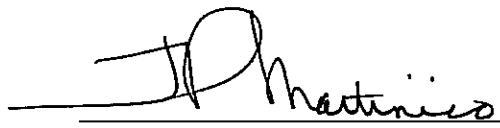
When appropriate, and mutually agreed between the parties, the Association of Municipal Inspectors will participate in Labor/Management Committee meetings which includes representatives of other City labor organizations. The compositions of this multi-Association Labor/Management Committee will be determined at the time of formation of said committee.

The parties agree that to increase effectiveness of Committee discussions, relevant training in specific subject areas should be made available to committee members. Provisions may be made to send selected committee members to seminars, workshops or in-service training.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

RE: Temporary Placement of Employees Into Other Duties/Departments

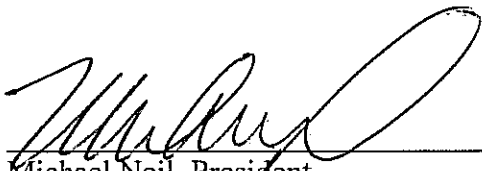
The parties agree that a procedure will be instituted to allow employees to be temporarily placed into other duties and departments other than their permanent shift and assignment locations.

Such temporary placements shall be subject to the following conditions:

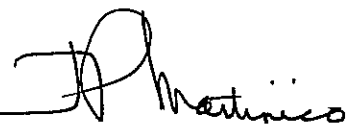
1. Limited to moving an employee once per year; thereafter, the employee must have volunteered for additional temporary assignments
2. The period of a temporary assignment under this language is forty-five (45) days. The employees shall not be required to perform work out of their classification.
3. Out-of-class (OOC) opportunities at the "transferred-in" location (TIL) must be preserved.
4. Promotional opportunities at the "transferred-out" location (TOL) must not be lost.
5. If the work at the TIL is an upgrade, the employee gets the OOC rate.
6. Association must be notified of proposed move, reasons, etc. at least thirty (30) days before the planned move. The City will consider the Association responses to the proposed movement of employees.
7. Any vacation period the moved employee had approved at the TOL will continue to be honored at the TIL.

The parties agree that the details related to the implementation of this governmental operations improvement initiative shall be a proper subject for a Special Conference between the parties.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

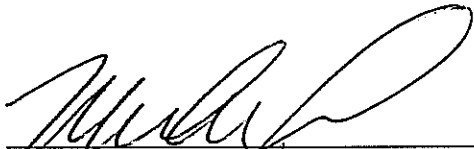
RE: Flex-Time for Housing Rehabilitation Specialists at the Planning and Development Department

The City agrees (on a pilot program basis) to establish a flex-time work schedule for Housing Rehabilitation Specialists in the Planning and Development Department.


Under this program, employees shall generally be permitted to arrive at work at any time between 1 hour before and 1 hour after their currently scheduled starting time. Quitting time would be that time following their currently assigned number of work hours for that day. If an employee's presence is required at a specific time, the department may deny the employee the right to utilize the flex-time program on that day.

In the event problems arise with this program, the Department shall request a meeting with the Association. A representative from the Association, the Department and Labor Relations shall then meet in a special conference to attempt to resolve the problem. Upon approval of the Labor Relations Director, the Department reserves the right to suspend the program where appropriate based on Department needs.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

RE: City Medical Design (CMD) Plan II

1. The health care benefit plan changes for the City Medical Plan (CMD) Plan II are specified in the attached document and will be effective on the date of the Agreement. It is understood that the opportunity to change plans and add dependents will not occur until the next scheduled open enrollment period.
2. Contribution Structure: The employee's contribution towards the component premiums (e.g., one person, two persons, family), for the BC PPO plan and for all HMO plans shall be 20% of the monthly premium. If the Blue Cross/Blue Shield Traditional plan as modified continues to be offered as an option, it will be offered under the current premium sharing arrangement. The contribution structure will be effective on the date of the Agreement.
3. Effective with the Family Continuation Verification Period for the coverage plan year beginning July 1, 2007, 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. Effective on the date of the Agreement, 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.)

5. 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.
- F. Bargaining unit members shall be enrolled in the City Medical Plan Design II (formally known as the Mercer Plan). Members of the bargaining unit will not be eligible to enroll in the Alternative Health Care Plan until the open enrollment period following the end of thirty-six months, with an effective date of July 1st of that year.

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.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

City of Detroit Medical Design (CMD) Plan II Blue Cross Blue Shield of Michigan Traditional Indemnity Plan	
General Plan Information	
Annual Deductible/Individual	\$250
Annual Deductible/Family	2x individual deductible
Office Visit/Exam	80%
Outpatient Specialist Visit	80%
Annual Out-of-Pocket Limit/Individual	\$1,000
Annual Out-of-Pocket Limit/Family	\$2,000
Lifetime Plan Maximum	\$1,000,000
Inpatient Hospital Services	
Inpatient Hospitalization	80%
Semi-Private Room & Board; Including Services and Supplies	80%
Emergency Services	
Emergency Room	\$75 copay then 100% (copay waived if admitted)
Urgent Care	\$50 copay, then 100%
Hospital Admission Deductible	\$250/admission
Prescription Drug Benefits Retail	
Generic	20% (\$15/\$30 min./max.)
Brand (Singlesource/Formulary)	20% (\$25/\$50 min./max.)
Brand (Multisource/Non-Formulary)	20% (\$40/\$80 min./max.)
Number of Days Supply	30 days
Mail Order	
Generic	2x retail copay
Brand (Singlesource/Formulary)	2x retail copay
Brand (Multisource/Non-formulary)	2x retail copay
Number of Days Supply for Mail Order	90 days

City of Detroit Medical Design (CMD) Plan II Blue Cross PPO		
General Plan Information	In-Network Benefits	Out-of-Network Benefits
Annual Deductible/Individual	\$250	\$500
Annual Deductible/Family	2x individual deductible	2x individual deductible
Coinsurance	80%	60%
Office Visit/Exam	\$15 copay, then 100%	D&C
Annual Out-of-Pocket Limit/Individual	\$1,000	\$2,000
Annual Out-of-Pocket Limit/Family	\$2,000	\$4,000
Inpatient Hospital Services		
Inpatient Hospitalization	80%	60%
Emergency Services		
Emergency Room	\$75 copay, then 100% (copay waived if admitted)	\$75 copay, then 100% (copay waived if admitted)
Urgent Care		
Urgent Care Facility	\$50 copay, then 100%	D&C
Hospital Admission Deductible	\$250	\$250
Prescription Drug Benefits Retail		
Generic	20% (\$15/\$30 min./max.)	Not covered
Brand (Singlesource/Formulary)	20% (\$25/\$50 min./max.)	Not Covered
Brand (Multisource/Non-formulary)	20% (\$40/\$80 min./max.)	Not Covered
Number of Days Supply	30 days	30 days
Mail Order		
Generic	2 times retail copay	Not Covered
Brand (Singlesource/Formulary)	2 times retail copay	Not Covered
Brand (Multisource/Non-formulary)	2 times retail copay	Not covered
Number of Days Supply for Mail Order	90 days	n.a.

City of Detroit Medical Design (CMD) Plan II HMO Plans	
General Plan Information	
Annual Deductible/Individual	\$0
Annual Deductible/Family	\$0
Coinsurance	100%
Office Visit/Exam	\$15 copay, then 100%
Outpatient Specialist Visit	\$15 copay, then 100%
Lifetime Plan Maximum	Unlimited
Inpatient Hospital Services	
Inpatient Hospitalization Admission Deductible	\$250 then 100%
Emergency Services	
Emergency Room	\$75 copay, then 100% (copay waived if admitted)
Urgent Care	
Urgent Care Facility	\$50 copay, then 100%
Prescription Drug Benefits Retail	
Generic	20% (\$15/\$30 min./max.)
Brand (Singlesource/Formulary)	20% (\$25/\$50 min./max.)
Brand (Multisource/Non-formulary)	20% (\$40/\$80 min./max.)
Number of Days Supply	30 days
Mail Order	
Generic	2 times retail copay
Brand (Singlesource)	2 times retail copay
Brand (Multisource)	2 times retail copay
Number of Days Supply for Mail Order	90 days

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

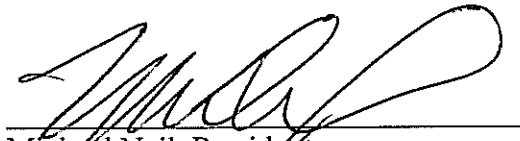
RE: HR/Payroll Systems

The parties agree that the effective date for the two-tier systems, referenced throughout the 2008-2012 agreement, shall be effective February 16, 2010; however, not implemented until the HR/Payroll/Benefit system can accommodate each specific change.

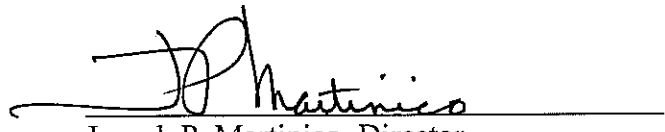
Furthermore, the parties will continue to work collaboratively toward resolving issue that may arise with the implementation of the 2008-2012 payroll/benefit negotiated changes.

The City agrees to meet with the Union in Special Conference to discuss such payroll issues which may result due to the negotiated changes as well as the two-tier systems prior to implementation.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors




Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

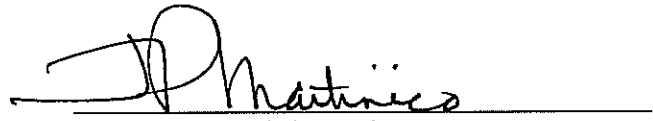
RE: Defined Contribution Plan

During the 2008 negotiations, there was discussion between the parties concerning a requirement for all newly hired employees to be placed in a Defined Contribution Plan (DCP) in lieu of the current Defined Benefit Plan (DBP). The parties agree to have an actuarial study performed on the retirement plan, which the City will initiate. During the term of this agreement, the parties agree to continue collective bargaining negotiations on this issue.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF DETROIT
AND THE
ASSOCIATION OF MUNICIPAL INSPECTORS

RE: Employee Loan Program

In fulfillment of their collective bargaining obligations under the Michigan Public Employees Relations Act ("PERA") MC423.215, the parties agree that a Participant Loan Program will be available to bargaining unit members. Its terms will be as follows:

- (a) Established: Any loans granted or renewed shall conform with the requirements of Section 72(p) of the Internal Revenue Code, 26 U.S.C.1 et seq. Such loan program shall be established in writing by the Board of Trustees, and must include, but need not be limited to the following:
1. The identity of the administrator of the Participant Loan Program;
 2. A procedure to apply for loans, the amount of loan that will be approved or denied, and limitations, if any, on the types and amount of loans offered;
 3. The procedure under the program for determining a reasonable rate of interest; and
 4. The events constituting default and the steps that will be taken to preserve plan assets.
- (b) The Loan Program: The Loan Program shall be contained in a separate written document copies of which shall be made available in the offices of the City of Detroit General Retirement System for prospective participants in the program. The Board of Trustees is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of this program. Copies of the rules shall also be made available to prospective participating members of the system in the offices of the General Retirement System.
- (c) Eligibility: Subject to the rules and procedures established by the General Retirement System Board, loans will be made to bargaining unit members. Former participants, spouses of participants, and beneficiaries are not eligible to receive any loans from the Plan. Subject to rules and procedures established by the Board, a participant who has been in the plan for twelve (12) months or more is eligible to apply for a loan from this plan.
- (d) Amount of Loan: A participant who has satisfied applicable rules and procedures may borrow from his or her account an amount, which does not exceed fifty percent (50%) of the participant's vested accumulated balance, or ten thousand dollars (\$10,000.00) reduced by the excess, if any, of: 1) the highest outstanding balance of loans from the trust during the one (1) year period ending on the day before the date on which the loan is made, or 2) the outstanding balance of loans from the trust on the date on which the loan is made, whichever is less. The minimum loan amount shall be one thousand dollars (\$1,000.00).

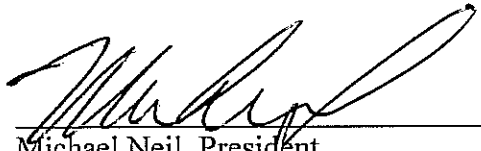
- (e) Terms and Conditions: In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:
1. Loan applications shall be in writing;
 2. Loan shall be repaid by equal payroll deductions over a period not to exceed five (5) years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen (15) years. In no case shall the amount of the payroll deduction be less than twenty dollars (\$20.00) for any two-week period;
 3. Each loan shall be made against the assignment of the participant's entire right, title, and interest in and to the trust supported by the participant's collateral promissory note for the amount of the loan, including interest payable to the order of the trustee;
 4. Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among participants in its determination of interest rates on loans. Loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the pension system's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the pension trust of administering the trust. The loan interest rate shall be calculated in a manner that will not negatively affect the City's costs to the trust or the return to trust members.
 5. Loan repayments shall be suspended under this plan as permitted by Section 414(u)(4) of the Internal Revenue Code, 26 U.S.C. 414(u)(4). A participant who has an outstanding loan balance from the plan who is absent from employment with the employer, and who has satisfied the requirements of 26 USC 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the fund during said periods of absence.
- (f) Renewal of Loan: Any loans granted or renewed shall be made pursuant to the participant loan program and Section 72(p) of the Internal Revenue Code, 26 U.S.C.72(p) and the regulations thereunder.
- (g) Loan Balance: A participant's outstanding loan balance shall be considered a directed investment by the participant and interest payments, shall be credited to the participant's account balance, and shall not be part of net investment income or part of the participant's account balance for the purpose of allocation of net investment income under Section 47-2-18 of the City Code.
- (h) Distribution: No distributions shall be made to a participant, former participant, or beneficiary until all loan balances drawn on the applicable vested accumulated balance and applicable accrued interest have been liquidated.
- (i) Annual Report: The General Retirement System shall include, in their annual report to all members, an accounting of the loan program established by this section, which contains the number and amount of loans made, the costs of administering the program, the amount

of payments made including interest received by the trust, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in the fiscal year covered the costs of administering the program.


Based on the request of the union, in recognition of what it views as the severest of economic hardships now being experienced by its bargaining unit members, the parties agree that eligibility for participation in said loan program will be in accordance with the provisions contained herein, and shall be effective immediately upon the signing of this Memorandum of Understanding and ratification by City Council. All necessary steps shall be taken to ensure that the implementation date of the Employee Loan Program for members of this bargaining unit shall occur as soon as administratively possible so that it coincides with the initial implementation date established by the General Retirement System.

The parties agree that this Memorandum of Understanding represents the sole and complete agreement regarding the Participant Loan Program for members of this bargaining unit, that this Agreement in full text shall be incorporated in the successor Labor Agreement and shall remain in full force for the duration of said successor agreement, and in recognition that the Participant Loan Program is a mandatory subject of bargaining, no modifications can be made unless collectively bargained and mutually agreed between the parties hereto.

Dated this 10th Day of August, 2010.



Michael Neil, President
Association of Municipal Inspectors



Joseph P. Martinico, Director
Labor Relations



June 10, 2010

Mr. Michael Neil, President
Association of Municipal Inspectors
P.O. Box 32459
Detroit, Michigan 48232

RE: Miscellaneous Time Off Provisions

Dear Sir:

During negotiations, the Association requested some clarification of City policies regarding situations when employees are to be released from their regular work duties for various reasons. These situations include appearances as a witness in courts or before government agencies, participation in City of Detroit examinations, sitting for examinations required by a government agency in order to maintain eligibility for City employment, and attendance at seminars and training programs required by the employing department.

A. Appearing as a witness in court or government agency:

1. If such appearance is ordered by the City or employing department, or in response to a subpoena initiated by the City, the employee will receive full compensation plus reimbursement for all reasonable expenses incurred for out of area travel (mileage, food and lodging).
2. In other situations where the employee is subpoenaed as a witness due to his/her employment with the City, he/she will be granted time off without loss of time or pay.

B. Participating in City of Detroit Examinations:

1. For promotional or other examinations requested by the employing department, the employee will be released from his/her regular work duties without loss of time or pay.
2. For examinations not requested by the employing department, the employee may be released from his/her regular work duties and such time charged to department leave if requested by the employee. Such release from work shall be subject to approval by the employing department.



MISCELLANEOUS TIME OFF PROVISIONS

Page 2

- C. Sitting for examination administered by a government agency to maintain license, certificate, etc.: If such license or certificate is required to maintain eligibility for employment in the employee's current job classification, he/she shall be released from his/her regular work duties without loss of time or pay, provided the employee has given adequate prior notice to the employing departments. (This provisions does not include driver's license renewals).
- D. Attendance at training sessions, seminars, etc.: If such attendance is required by the employing department, such time is compensable.

In the above situations, and others in which the employee seeks release from work, the employee should give prior notice to and obtain approval from his/her supervisor.

Sincerely,

Joseph P. Martinico
Labor Relations Director

JPM:zlg

EXHIBIT I
ASSOCIATION OF MUNICIPAL INSPECTORS
2008-2012 WAGE SCHEDULE

BU CODE	CLASS CODE	CLASSIFICATION	Effective 7/1/08 - 6/30/12	
			Minimum	Maximum
3350	19-80-31	Housing Rehabilitation Specialist - Interim	\$53,700	\$53,700
3350	19-80-35	Housing Rehabilitation Specialist - Lead Certified	\$57,000	\$57,000
3350	19-91-21	Housing Inspector	\$53,700	\$53,700

NOTE: This document represents pay rates resulting from wage increases negotiated in this Labor Agreement. See the Official Compensation Schedule for official pay rates.

EXHIBIT II HOLIDAY SCHEDULE

HOLIDAY	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
Independence Day	Friday, July 4, 2008	Friday, July 3, 2009	Monday, July 5, 2010	Monday, July 4, 2011
Labor Day	Monday, September 1, 2008	Monday, September 7, 2009	Monday, September 6, 2010	Monday, September 5, 2011
Election Day*	Tuesday, November 4, 2008	Tuesday, November 3, 2009	Tuesday, November 2, 2010	Extra Swing Holiday
Veterans Day*	Tuesday, November 11, 2008	Wednesday, November 11, 2009	Thursday, November 11, 2010	Friday, November 11, 2011
Thanksgiving Day	Thursday, November 27, 2008	Thursday, November 26, 2009	Thursday, November 25, 2010	Thursday, November 24, 2011
Day After Thanksgiving*	Friday, November 28, 2008	Friday, November 27, 2009	Friday, November 26, 2010	Friday, November 25, 2011
Christmas Eve (eight hours)*	Wednesday, December 24, 2008	Thursday, December 24, 2009	Friday, December 24, 2010	Friday, December 23, 2011
Christmas Day	Thursday, December 25, 2008	Friday, December 25, 2009	Monday, December 27, 2010	Monday, December 26, 2011
New Year's Eve (eight hours)*	Wednesday, December 31, 2008	Thursday, December 31, 2009	Friday, December 31, 2010	Friday, December 30, 2011
New Year's Day	Thursday, January 1, 2009	Friday, January 1, 2010	Monday, January 3, 2010	Monday, January 2, 2012
Martin Luther King's Birthday	Monday, January 19, 2009	Monday, January 18, 2010	Monday, January 17, 2011	Monday, January 16, 2012
Good Friday (eight hours)*	Friday, April 10, 2009	Friday, April 2, 2010	Friday, April 22, 2011	Friday, April 6, 2012
Memorial Day	Monday, May 25, 2009	Monday, May 31, 2010	Monday, May 30, 2011	Monday, May 28, 2012

*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.