



MASTER AGREEMENT

BETWEEN

THE CITY OF MADISON HEIGHTS

AND

**THE MADISON HEIGHTS POLICE
OFFICERS UNION**

JULY 1, 2018 THROUGH JUNE 30, 2021

**CITY OF MADISON HEIGHTS
AND
MADISON HEIGHTS POLICE OFFICERS UNION**

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This Agreement is hereby entered into this 21st day of January, 2020 between the City of Madison Heights, hereinafter referred to as the "City" and the Madison Heights Police Officers Union, hereinafter referred to as the "Employee", the "Union", or the "MHPOU."

ARTICLE I - RECOGNITION

SECTION 1. The City of Madison Heights recognizes the Madison Heights Police Officers Union as the sole and exclusive bargaining agent to the extent permitted and required by PA 379 of 1965 as amended, for such employees as it represents. The City will negotiate with the Union on items related to pay, wages, hours, conditions of employment.

SECTION 2. The City will not interfere with, discourage, restrain, or coerce Police Officers or Police Service Assistants because of their membership in the MHPOU or any lawful activities therein.

SECTION 3. All full time Police Officers of the City of Madison Heights from the rank of detective and below, and Police Service Assistants shall be included in the unit represented by the MHPOU and shall come within the jurisdiction of this Agreement.

ARTICLE II - DUES DEDUCTION

SECTION 1. The City will deduct, upon signed authorization by the officers requesting same, all dues as stated for the MHPOU and forward same to the MHPOU's Treasurer each month.

SECTION 2. Changes in the regular amount of monthly dues may be made no more than twice in a twelve (12) month period. Such change shall require new signed, written authorization for each employee represented by the MHPOU.

SECTION 3. The MHPOU agrees to indemnify and save the City harmless against any and all claims, suits or other forms of liability arising out of its deductions so made, once they have been sent to the MHPOU.

SECTION 4. AGENCY SHOP

To the extent that the laws of the State of Michigan permit, it is agreed that any employee covered by this Agreement, who is not a member of the Union at the time this Agreement becomes effective, shall be required within thirty days after employment or the execution date of the Agreement, whichever is later, as a condition of employment to either become a member of the Union or pay a service fee to the Union, which shall be equivalent to the Union monthly membership dues, for the duration of this Agreement. Any employee who fails to comply with the aforementioned requirement shall be deemed not to be in compliance with the aforementioned condition of employment and the City shall terminate the employee at the conclusion of a grace period of thirty (30) days following notification by the Union that the employee is not in compliance with this Article. The MHPOU agrees to save the City harmless against any and all claims, suits or other forms of liability arising out of said termination should it occur.

ARTICLE III - REPRESENTATION

SECTION 1. The MHPOU shall be represented in all negotiations by a committee of the MHPOU. Said committee shall be authorized by the MHPOU to bargain for the individuals in the Union, and shall upon ratification by the members of the Union be able to execute the agreement which shall be binding on the members of the Union provided a majority of the members of the City Council ratify said agreement. The MHPOU shall negotiate with such representatives of the City Government as provided by resolution, ordinance or policy adopted by the City Council of the City of Madison Heights.

SECTION 2. The bargaining committee of the MHPOU will include not more than four (4) employees of the MHPOU and may include not more than two (2) non-employee representatives. The MHPOU will furnish the City Manager's office with a written list of the MHPOU's employees bargaining committee prior to the first bargaining meeting.

SECTION 3. The two (2) City employee members of the MHPOU bargaining committee will be paid for their time spent in negotiations with the City, but only for straight time hours the employee would otherwise work.

ARTICLE IV - SPECIAL CONFERENCES

Special conferences for mutually agreed upon important matters will be arranged between the MHPOU President and the employer or his designated representative upon the request of either party. Such meeting shall be between at least two representatives of the MHPOU and at least two representatives of the employer.

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 only those included in the agenda. The members of the Local shall not lose time nor pay for time spent in such Special Conferences. However, this meeting may not be attended by more than one "on duty" officer and/or one "off duty" officer and the Union's attorney.

ARTICLE V - GRIEVANCE INVESTIGATION BY THE UNION

The President of the MHPOU, or representative, shall be allowed reasonable time for the investigation and presentation of grievances with the City in accordance with the provisions of this Collective Bargaining Agreement, provided, permission is obtained from the employee's superior officer which permission shall be granted within the twenty-four (24) hours next following the request, such time shall be allowed without loss of pay to the MHPOU's representative. Such representative shall report to the superior officer upon completion of his investigation. In addition, any arbitration or Act 78 procedure will be covered by this Article.

ARTICLE VI - GRIEVANCE PROCEDURE

SECTION 1. It is mutually agreed that all grievances arising under and during the terms of this Agreement shall be settled in accordance with the procedure herein provided. Every effort shall be made to adjust controversies and disagreements in an amicable manner between the City and the Union.

SECTION 2. A grievance is defined as a claim that a specific Article or Section of this contract and/or the rules and regulations of the Madison Heights Police Department have been violated. If any grievance arises over the interpretation or application of the contents of this Agreement or the supplements thereto, there shall be an earnest effort on the part of the parties to amicably settle such through the following procedures:

STEP 1.

If the employee feels that he/she has a grievance, the employee may discuss the grievance with his/her immediate supervisor or refer the grievance to the president of the Union or his/her representative.

STEP 2.

The Union shall have fourteen (14) days to notify the Chief of Police of a pending grievance. The grievance must then be reduced to writing and submitted to the Chief within fourteen (14) days after notice is given.

STEP 3.

The Chief of Police or designee shall then have fourteen (14) calendar days within which to file a written answer to the grievance. If agreement cannot be reached at that level, the Union shall have fourteen (14) calendar days to submit the grievance along with the Chief's answer and any other supplemental documents to the City Manager.

STEP 4.

Within fourteen (14) calendar days from receiving such notice, the City Manager or designee shall make a determination and reduce same to writing, supplying copies of the answer to the employee involved, the MHPOU and the Department.

STEP 5.

In the event that the grievance is still unresolved after the response from the City Manager, either party may submit the grievance within fourteen (14) calendar days to final and binding arbitration to be conducted by the American Arbitration Association in accordance with the rules of the American Arbitration Association. The parties shall share equally the arbitrator's fee and those costs imposed by the American Arbitration Association (AAA). An employee who has been disciplined and/or discharged may, at the employee's option within seven calendar days, elect to submit a grievance concerning said discharge and/or discipline, to the Civil Service Commission established under the provisions of Act 78 of 1935 as amended. An employee who selects the provisions of Act 78 shall be barred from the arbitration procedures set forth herein.

SECTION 3. The grievance must be taken up promptly and no grievance will be considered or discussed unless it is presented within the time limits set forth herein, unless extensions of those time limits are mutually agreed upon. This grievance procedure shall be followed, except that any employee may at any time present a grievance directly to the Chief of Police and have the grievance adjusted without intervention of the president or representative, provided, however, that the adjustment and procedure followed is not inconsistent with the terms of this Collective Agreement or applicable law.

SECTION 4. Grievances must be taken up promptly and no grievance will be considered or discussed which is presented later than fourteen (14) calendar days after the occurrence or fourteen (14) calendar days after the officer knew or should have known of the occurrence.

ARTICLE VII - NOTICE OF DISCIPLINARY ACTION

SECTION 1. The Union shall be provided immediate notification of any disciplinary action taken against an employee which may result in the addition of official entries to his personnel file. The employee and the Union shall receive a copy of all correspondence relating to the alleged incident. Written reprimands shall not be utilized for further discipline after two years from the date of the most recently issued written reprimand on record, and written disciplinary records shall not be given to promotional oral boards.

SECTION 2. No employee shall be required as a condition of his employment to stand in any line up. No employee shall be required to make any oral or written statement concerning any alleged misconduct on his/her part until he/she has been notified of the nature of the alleged misconduct with which he/she is charged. The employee shall then be given an opportunity to contact Union representatives for the purpose of representation, immediately. Following such notification, the employee shall have twenty-four hours to furnish an oral or written statement concerning the alleged misconduct.

Preparation of an incident report or preliminary complaint report shall not be subject to the restrictions set forth herein above.

SECTION 3. The following procedure shall be followed in all cases where a citizen makes a written or oral formal complaint of alleged misconduct against an officer:

- A) The officer shall be notified prior to giving any statement, of the acts, either commission or omission, which he/she is alleged to have committed by the complainant, and the date and origin of the complaint.
- B) The officer shall then be given an opportunity to contact the Union representatives for the purpose of representation.

SECTION 4. In all cases where the Department is charged by an agency with violations of law allegedly committed by an officer or officers, the Department shall promptly notify said officer or officers and the Union.

SECTION 5. All investigations, statements and proceedings of alleged misconduct requiring the officer's presence shall be conducted during the officer's normal duty hours whenever feasible and he/she shall be compensated at the overtime rate of pay for all time the officer is required to be in attendance while not on duty, provided the alleged misconduct is unfounded.

SECTION 6. All allegations of misconduct not substantiated shall not be made a part of official Department Personnel files.

SECTION 7. No statements of any officer relating to alleged misconduct on his/her part and required by the Department for internal Department purposes shall be released to any person or agency outside the Department except the City Manager, the Human Resource Director, and the City Attorney without the officer's consent, except upon order of a court or subpoena.

No officer shall be required to make any statement relating to his/ her official duties to any person or agency outside the Police Department, except the City Manager, City Attorney and the Human Resource Director, except when subpoenaed or so ordered by the court.

SECTION 8. All information in the Personnel files of the Police Department or the Human Resource Department regarding employees in the bargaining unit shall be treated in strict confidence by the City. No information which is against the interest of the officer shall be given to any person or agency except the City of Madison Heights which shall be interpreted to include the trial board, unless the permission of the officer is given or by a court order. Any officer shall have the right to examine his/her Personnel file after arranging with the supervisor a suitable time for visiting the Human Resource Department.

ARTICLE VIII - PROMOTIONS AND LAYOFFS

SECTION 1. Promotions and layoffs shall be in accordance with the State Civil Service Act 78.

Effective July 10, 2003, promotions to the position of Sergeant and Lieutenant shall be subject to a minimum passing score of 70% on each component of the promotional process (e.g. written examination, oral interview, assessment center).

SECTION 2. DEFINITIONS: LAYOFFS shall mean the separation of employees from the active work force due to a lack of work or funds.

SECTION 3. No permanent or probationary employee shall be laid off from his/her position in the Police Department while any temporary or provisional employees are serving in the same position. Except as provided below, the layoff of probationary or permanent employees in the Police Department shall be inverse in order of seniority.

SECTION 4. DEMOTION IN LIEU OF LAYOFF: except as provided below, an employee who so requests, shall in lieu thereof be demoted by seniority to the next lower position in the employee's classification. If there is no lower position in that employee's classification, that employee who so requests, shall in lieu of layoff be demoted or reassigned through those classes in other divisions in which the employee previously held permanent status in order of inverse seniority.

SECTION 5. NOTICE OF LAYOFFS: employees who shall be laid off indefinitely shall be given at least fourteen calendar days prior notice.

SECTION 6. PREFERRED ELIGIBILITY LISTS: an employee demoted in lieu of layoff shall have his/her name placed on a preferred eligibility list in order of seniority for each rank from which he/she is displaced within the Police Department. Employees laid off shall have their name placed on preferred eligibility in order of seniority for each rank displaced.

Names shall remain on the list for six (6) months or the length of their seniority, whichever is greater, except those employees demoted or reassigned unless removed as provided below.

An employee who is laid off will have his/her name remain on the list for a period of time equal to his/her seniority at the time of layoff or two years, whichever is lesser.

Employees being recalled from layoff shall be restored to positions from which demoted or reassigned in the Police Department, before any other persons are selected for employment or promotion in those ranks, provided the above is not in conflict with the State or Federal statutes or the Constitution of the State of Michigan.

ARTICLE IX - ASSIGNMENTS

A. Assignments of duty to open positions will be on the basis of the individual's qualifications and merits. When two or more persons are equally qualified for the same assignment, the selection shall be on the basis of seniority, except for assignments to the Detective Bureau which will comply with Section B of this Article.

B. Assignments of duty to the Detective Bureau shall be made as follows:

- 1) Upon the existence or impending existence of an opening for a Patrol Officer in the Detective Bureau, the Police Chief will post a notice announcing the assignment, and interested officers shall submit their notice of intent as directed by the Chief.
- 2) The Police Chief shall retain the right to select one officer for the assignment from the candidates; should there be more than three (3) interested officers, a qualifications exam process as determined by the City shall be conducted by the Chief or his designee. The qualification process shall consist of a written exam and oral interview; Each shall be given equal weight. A list shall be compiled based upon the scores of the written exam and oral interview. This list shall be valid for two (2) years or until exhausted whichever is earlier. The Chief's right of selection shall be among the top three (3) candidates of the list only. There must be no less than three (3) individuals on the list for selection.
- 3) The assignment to the Detective Bureau shall last a minimum of three (3) years and maximum of five (5) years; provided, however that the Police Chief retains the right to remove a Patrol Officer from the Detective Bureau for cause at the Police Chief's sole discretion.
- 4) Upon ratification, an assignment premium of 5% shall be provided to Patrol Officers while they are assigned to the Detective Bureau.
- 5) The parties acknowledge that the selection process to the Detective Bureau isn't covered by and is excluded from the provisions of Public Act 78.

ARTICLE X - SENIORITY

A seniority list of all officers shall be furnished to the Union by the City once a year.

Seniority shall be a consideration in transfers to fill vacancies, but the decision of the Chief of Police shall be according to *Article IX* of this Agreement. The decision of the Police Chief may be appealed to the City Manager and the City Manager's decision shall be final and shall not be a matter for grievance procedure, provided, however, that in the event the transfer is made to such vacancy of an officer having less seniority than an officer having greater seniority, and who has filed a written request for consideration, the officer with greater seniority may request a conference with the Chief of Police, at which conference the officer may be represented by person or persons of his choice. Within seven (7) days after said conference, the officer may request from the Chief of Police, a written explanation setting forth the reason, or reasons, why the senior officer did not receive the requested transfer, and the Chief of Police shall reply, in writing, within seven (7) days. Temporary transfers shall not exceed thirty (30) days.

ARTICLE XA - LOSS OF SENIORITY

An employee shall lose his/her status as an employee and his/her seniority if the employee:

- 1) Resigns or quits.
- 2) Is discharged for just cause.
- 3) Retires.
- 4) Has been on layoff for a period of time equal to his/her seniority at the time of layoff or two (2) years, whichever is lesser.
- 5) Is absent from work, including the failure to return to work at the expiration of a leave of absence, vacation or disciplinary layoff before the beginning of the second work day following the absence, without notifying the employer, except when the failure to notify or report for work is due to circumstances beyond the control of the employee.

The above procedure shall be adhered to unless in direct conflict with the State or Federal statutes or the Constitution of the State of Michigan.

ARTICLE XI - HOLIDAYS AND PERSONAL LEAVE DAYS

SECTION 1.

Holidays for the purpose of this contract shall be as follows:

Independence Day	New Year's Day
Labor Day	Half Day Good Friday
Veteran's Day	Easter Sunday
Thanksgiving Day	Law Day
Day Before Christmas	Memorial Day
Christmas Day	Employee's Birthday
Half Day Before New Year's Day	

Effective July 1, 2010, the following holidays shall be eliminated:

Labor Day	Half Day Good Friday
Veteran's Day	Law Day
Half Day Before New Year's Day	Employee's Birthday

Effective July 1, 2015, all paid holidays shall be restored as follows:

Independence Day	New Year's Day
Labor Day	Half Day Good Friday
Veteran's Day	Easter Sunday
Thanksgiving Day	Law Day
Day Before Christmas	Memorial Day
Christmas Day	Employee's Birthday
Half Day Before New Year's Day	

Effective July 1, 2019, the recognized holidays shall be as follows:

Independence Day	New Year's Day
Labor Day	Martin Luther King Jr Day
Veteran's Day	Half Day Good Friday
Thanksgiving Day	Easter Sunday
Day Before Christmas	Law Day
Christmas Day	Memorial Day
Half Day Before New Year's Day	

SECTION 2.

A member who works on a holiday shall receive pay at time-and-one-half. At the member's option, compensatory time may be taken in lieu of pay for holidays worked subject to *Article XII, Section 3.*

The ninety-six hours of compensatory time which heretofore were partial compensation for holidays worked shall be purchased by the City on the officer's anniversary date at the officer's straight-time hourly rate as provided below for periods before July 1, 2010.

ARTICLE XI – HOLIDAYS AND PERSONAL LEAVE DAYS

(CONTINUED)

The buy back shall be effective with any officer whose anniversary date falls after February 12, 1989. Officers whose anniversary date falls between July 1, 1988 and February 12, 1989, at their option, may elect to have the City purchase any part or all of the 96 hours for fiscal year 1988/1989. Such officers must notify the City in writing within 30 days after February 12, 1989 if they wish the City to purchase said hours.

FOR PERIODS PRIOR TO JULY 1, 2010 and after JULY 1, 2015:

- A. OFFICERS WITH TEN OR MORE YEARS OF SERVICE. The City shall purchase all 96 hours as noted herein.
- B. OFFICERS WITH FIVE OR MORE YEARS OF SERVICE BUT LESS THAN TEN YEARS. The City shall purchase a minimum of fifty-six hours. At the officer's option, the City will purchase all or any part of the remaining forty hours. Each year, at least 30 days prior to the officer's anniversary date, he/she must notify the City in writing if he/she wishes to have the City purchase any hours in excess of the 56 hours as provided herein.
- C. OFFICERS WITH LESS THAN FIVE YEARS OF SERVICE. The City shall purchase a minimum of forty-eight hours. At the officer's option, the City will purchase all or any part of the remaining forty-eight hours. Each year, at least 30 days prior to the officer's anniversary date, he/she must notify the City in writing if he/she wishes to have the City purchase any hours in excess of the 48 hours as provided herein.

Effective July 1, 2010 and ending JUNE 30, 2015:

- A. OFFICERS WITH FIVE OR MORE YEARS OF SERVICE shall be paid for 56 hours Holiday Pay as provided herein.
- B. OFFICERS WITH LESS THAN FIVE YEARS OF SERVICE shall be paid for a minimum of 48 hours Holiday Pay. At the officer's option the City will purchase all or part of the remaining eight hours. Each year, at least 30 days prior to the officer's anniversary date, he/she must notify the City in writing if he/she wishes to have the City purchase the additional 8 hours as provided herein. If the officer does not notify the City that he/she wishes the City to purchase the additional 8 hours, the 8 hours will be added to the officer's vacation bank.

SECTION 3. Each fiscal year each employee shall receive forty-eight (48) hours of non-accumulative administrative leave time to be used at their discretion, subject to the following:

"Said officer shall give three (3) days written notice, not counting Saturdays, Sundays and holidays, to the commanding officer. The personal and administrative leave days shall be taken only with the consent of the commanding officer whose consent shall not be unreasonably withheld."

SECTION 4. Employees under this agreement will appear for duty fifteen (15) minutes prior to the start of their shift for briefing, preparation of assignments and equipment. Compensation for the show-up time will be the six (6) administrative leave days to be accrued and taken according to the above *Section 3*.

ARTICLE XI – HOLIDAYS AND PERSONAL LEAVE DAYS

(CONTINUED)

SECTION 5. Members shall receive two personal leave days annually; such personal leave days must be used in the fiscal year in which they are accrued. They cannot be carried forward into a succeeding fiscal year. In no event shall personal leave days not used be paid for in cash.

Personal leave time shall be pro-rated at the rate of 1.33 hours per month and shall be computed on the basis of not less than eighteen service days per month worked by the employee. No personal leave time will be earned in a given month if the employee does not fulfill the minimum eighteen-service day requirement. Approval of personal leave time usage is conditional subject to verification by payroll records.

If any employee should terminate employment with the City for any reason, personal leave time utilized by the employee shall be pro-rated and if such time used is greater than has been earned, then a dollar amount equal to the employee's hourly rate times the number of unearned hours shall be deducted from the employee's final pay.

ARTICLE XII - OVERTIME

SECTION 1. An officer who is required to work past the end of his/her regular eight (8) hour shift shall receive no compensation for time spent less than fifteen (15) minutes and then all overtime work shall be compensated for at the rate of time-and-one-half.

SECTION 2. Any overtime worked in addition to the above *Section 1*, shall be compensated for at the rate of time-and-one-half to the nearest quarter hour. Any overtime worked in excess of fifteen (15) minutes, at the end of the shift, shall be only at the express direction of the chief or the officer in charge of the shift.

SECTION 3.

- A) Members may accrue compensatory time at their option in lieu of overtime pay up to a maximum of sixty-four hours. Once the maximum accumulation is reached, overtime will be paid in cash.
- B) The compensatory time off (CTO) bank limit shall be increased from 64 to 120 hours for special units only (i.e. NET, CAT, SIU, Multi-jurisdictional task force) in consideration of or the elimination of all City liability for “crew time” hours. The extra 56 hours of CTO will not count toward final average compensation for pension purposes. The officers shall be allowed one year beginning when the officer leaves the special unit to use any excess CTO banked while in the special unit. Any excess CTO not used by the end of that year shall be forfeited.

SECTION 4. An officer who is required to work on a holiday which he/she would normally have off, or work over the normal shift on said holiday shall be compensated in the following manner, for all hours worked the member shall receive two-and-one-half times his/her regular hourly rate.

SECTION 5.

- A) Special overtime as used in *Section 3, of Article XIII* shall be defined as overtime where the Chief or Deputy Chief determines the need for the overtime more than four (4) hours before the start thereof. Special overtime shall not include emergency overtime which shall be defined as overtime where the chief or deputy chief have four (4) hours or less from the time of their determination of the need therefor. Special overtime shall also not include end of shift overtime which is defined as overtime coincidental with the end of an officer's established tour of duty. These two (2) types of overtime shall not be controlled by the rotating list.

- B) The future method for the calling of officers for special overtime prior to reaching the last senior officer on the rotating list shall be as follows:
- 1) An officer shall not be called if he is on sick leave, vacation leave, personal leave or any other type of approved leave except regular scheduled days off. If these officers' names are reached on the rotating list, their name shall be dropped to the bottom of the list as if they refused the overtime.
 - 2) If an attempt is made to call the officer at his/her home phone number as listed with the Department and he/she cannot be reached, he/she will be dropped to the bottom of the rotating list.
 - 3) An officer who does not wish to be on the rotating list shall have on file with the Department a written notice of said desire.
 - 4) Each Departmental bureau, such as the road patrol, will maintain their own rotating list.
- C) In the event that the City errs in calling the correct officer from the above lists, the officer shall have preference for the next special overtime call, but will not receive payments for the missed call.
- D) The provision of *Section 3, Article XIII* relating to calling officers in reverse order shall go into effect when the rotating list is exhausted.

SECTION 6. Upon approval by the Chief of Police, the City shall permit officers to work on an overtime basis at enterprises within the City of Madison Heights which request the officer's presence for a specific time period, provided that the enterprise reimburses the City for all direct and indirect costs associated with the officer's presence. Any such overtime shall be voluntary and shall be scheduled in accordance with *Section 5* herein. This section shall not apply to probationary officers.

ARTICLE XIII – CALL-IN TIME

SECTION 1. An officer called in for duty for other than the regular eight-hour shift shall receive a minimum two-hour call in time which shall be at the rate of time and one half.

SECTION 2.

- A) Officers who are required during off duty hours to attend District Court, Circuit Court, Federal Court, Liquor Control Commission proceedings or other employment related hearings, shall receive a minimum of two hours pay or compensatory time at time-and-one-half rates except that any such time immediately following the officer's tour of duty shall be paid at time-and-one-half rates for actual time worked. All time in excess of the two-hour minimum shall be paid at time-and-one-half rates.
- B) Retirees required to attend court on behalf of the City will be compensated at their last straight time hourly rate preceding their retirement. All subpoena fees received by the officer shall be remitted to the City of Madison Heights.
- C) Any subpoena fees received by the officer or retiree in the proceedings cited in A) above, shall be remitted to the City of Madison Heights.
- D) If the proceedings cited in A) above are outside the City limits of the City of Madison Heights and no City vehicle is available for the officer's use, the officer will be reimbursed for mileage at the authorized rate per mile provided, however, that such mileage shall be computed from the Madison Heights Police Station to the location of the proceedings, not from the officer's home to the proceedings.

SECTION 3. A rotating list shall be maintained to guarantee equal opportunity in the distribution of special overtime (refer to *Article XII, Section 5*). Seniority and rank in the Department shall prevail in the distribution of emergency duty overtime work. The senior employee in the proper rank will be first called and the next senior employee in like manner until sufficient officers are assembled. In the event sufficient officers cannot be assembled after the last senior officer is called, then officers will be called in reverse order and must report for emergency duty until the proper number is assembled.

COURT OFFICER:

Shall include all lieutenants, sergeants, and police officers assigned to road patrol who wish to be on the rotating list.

INTRASTATE WARRANT PICK-UPS:

Shall include all lieutenants, sergeants, and police officers regardless of assignment who wish to be on the list and who maintain a uniform.

PATROL OVERTIME:

(POWER SHIFT, SPECIAL EVENTS, AND MANPOWER SHORTAGES) shall include all police officers assigned to road patrol, any officer assigned to the Crime Protection Bureau, and/or Youth Bureau, who wish to be on the rotating list.

COMMAND OVERTIME:

(STAFF SHORTAGE IN COMMAND STRUCTURE, AND SPECIAL EVENTS AS DEEMED NECESSARY BY THE CHIEF)

Shall include all command officers assigned to road patrol who wish to be on the rotating list.

SPECIAL OVERTIME:

(OUTSIDE EMPLOYER, HOLIDAY/SECURITY PATROL)

Shall include all lieutenants, sergeants, and police officers regardless of assignment who REQUEST to be on the list and who maintain a uniform. ALL officers will earn a preset wage not less than the wage in effect at the time for a senior patrol officer. This, for the "outside" employer *section* of the SPECIAL overtime only.

EMERGENCY OVERTIME:

(SHALL INCLUDE ALL SWORN DEPARTMENT PERSONNEL AS NEEDED.) A list of persons used, date, and time, along with the listed emergency is to be maintained.

SECTION 4.

The officer in charge of the shift shall have the authority to call in additional officers in emergency situations only. All regularly scheduled overtime shall be scheduled by the Chief of Police with the approval of the City Manager and shall be logged on the day sheet.

ARTICLE XIV - VACATION

SECTION 1. All full time officers of the City of Madison Heights shall be granted accrued vacation time on their anniversary date.

For the purposes of vacation and sick time computation, each officer shall be required to work a minimum of eighteen (18) days to make up a service month. Vacation shall be figured from the first month in which at least eighteen (18) days are worked.

In addition to the foregoing, any full time officers with more than:

- 1 thru 4 years 2 weeks
- 5 thru 9 years 3 weeks
- 10 thru 14 years 4 weeks
- 15 years 5 weeks

For employees hired after July 1, 2009, vacation accrual shall be as follows:

- 1 thru 4 years 2 weeks
- 5 thru 9 years 3 weeks
- 10 thru 19 years 4 weeks
- 20 years 5 weeks

Effective November 28, 2011 bargaining unit members who received accrued vacation leave and were affected by Public Act 54 will receive a prorated adjustment that accounts for the time the contract remained unsettled. Should any court ruling determine that full retroactive payment is required under Public Act 54, the City agrees to make members whole in accordance with the court decision.

Annually, it is the obligation of individual members to reduce accumulated vacation time to a maximum of five (5) weeks on or before their anniversary date at which time they shall receive additional vacation time according to the above schedule. Those members whose date of employment is prior to June 30, 1985 may, at their option, accumulate vacation time to a maximum of seven weeks beginning after completion of twenty-three years of service. Those members wishing to accumulate vacation time to a maximum of seven weeks should so notify the Finance Department in writing. For this purpose only, the member may elect to use up to 80 hours of the 96 hours set forth in *Article XI, Section 2*. Members whose date of employment is subsequent to June 30, 1985, shall be excluded from this option.

The time when such vacation shall be taken shall be determined by the Chief of Police, who shall be governed by the interest of public service, the officer's seniority, and the officer's desire, provided, however, that up to 20% of the members of the bargaining unit (excluding service assistants) on any platoon may be permitted to be on vacation at any one time so long as at the time the request is made, sufficient personnel remain to meet minimum staffing requirements as determined by the Chief or designee.

Upon the separation of any employee from service, either by resignation, layoff or other means except discharges for cause, such employee shall be granted accrued vacation time. In the event of death of the employee, his/her personal representative shall be paid vacation time due such officer. Any officer who separates himself/herself through absence without leave, shall surrender all rights to vacation time.

SECTION 2. The exchange of vacation and compensatory time days may be permitted within a platoon with the approval of the Chief of Police.

SECTION 3. If an employee hired subsequently to the signing of this Agreement, leaves the service of the City before completing one (1) year of service, no accrued vacation leave will be allowed. An employee who has served over one (1) year shall be paid for any accrued vacation due on leaving the service of the City. In addition, vacation leave shall be granted to employees covered hereby by the management representative of the Police Department who is in charge of scheduling said vacation.

ARTICLE XV - RESERVE OFFICERS

SECTION 1. The establishment of the police reserve force is covered under Madison Heights Ordinance 508.

SECTION 2. The primary function of the police reserve:

To provide security and traffic control at the following functions:

- A) Parades
- B) Carnivals and Fairs
- C) All school functions
- D) Community functions
- E) To be utilized by the Police Department command structure in emergencies, when regular officers are not available.

SECTION 3. Provide the following services for the City:

- A) Vacation home checks
- B) Issuing of courtesy citations
- C) Patrolling of all school property
- D) Patrolling of all City property (parks and recreation facilities)
- E) Patrolling neighborhoods as eyes and ears of the Community and Police Department
- F) Assist Crime Prevention in operation I.D.

SECTION 4. The Police Reserve shall not be utilized to deprive a member of the Madison Heights Police Department of overtime nor shall a Police Reserve be allowed to issue civil infractions or ordinance violations.

ARTICLE XVI - SICK LEAVE

SECTION 1. All full time officers shall be entitled to sick leave with full pay based on one (1) day per month at the officer's straight time rate of pay, provided, however, that no employee shall be entitled to sick leave until completion of six (6) months of employment, provided further, however, that any employee who has not completed six (6) months of employment but who has completed at least three (3) months of service, shall be granted sick leave at the rate of one (1) day per month for each month's service up to a maximum of two (2) months completed for attendance at a funeral of immediate members of their family only, and upon completion of their six (6) months of employment, shall be credited only with the unused sick time accumulated.

SECTION 2. Sick leave shall accrue monthly and shall be computed on the basis of not less than eighteen (18) normal service days per month. Such time shall first be computed from the date of appointment and thereafter from the beginning of each fiscal year. Such leave shall accrue in terms of full days only, and shall not exceed twelve (12) service days in one (1) year.

SECTION 3. Unused sick leave, as provided in the above paragraph, shall be called current sick leave and accumulated to forty-eight days. Sick leave may not be granted in anticipation of future service.

SECTION 4. An employee of the City who finds it necessary to be absent from his/her work shift due to illness, shall notify his/her immediate supervisor prior to the beginning of that duty shift. Absence of any officer for three (3) consecutive workdays without leave or acceptable justification shall be cause for immediate dismissal in accordance with the provisions of the Collective Bargaining Agreement.

SECTION 5. A physician's certificate may be required by the Police Chief or his designated representative before the employee returns to duty. When a physician's certificate has been requested and an employee examined by the City physician, the cost of the requested examination will be borne by the City. A completed sick leave affidavit, on a form provided for that purpose, must be signed by the employee claiming paid sick leave, and it then shall be submitted to the City Manager's Office on the date of an employee's return from any absence chargeable to sick leave with or without pay credit. Falsification of any sick leave affidavit shall be cause for disciplinary action. In addition, evidence of illness must be provided by medical certificate for all sick leave granted beyond three (3) consecutive working days.

SECTION 6. Sick leave may be allowed in cases of sickness or injury occurring during the vacation period. Evidence of such incapacity from the first day must, however, be provided to the satisfaction of the Chief of Police.

SECTION 7. Sick leave shall not be charged against the employee's current or reserved sick leave in amounts of less than one hour for any absence.

ARTICLE XVI - SICK LEAVE

(CONTINUED)

SECTION 8. At retirement, any officer with accumulated sick leave, may at his/her option, receive pay for one-half (1/2) of his/her accumulated sick leave or leave work at an earlier date equal to the amount of sick leave for which the officer would otherwise be paid. In the event of death, one-half (1/2) of the accumulated sick leave will be paid to the deceased employee's beneficiary

Effective June 9, 2014, payout of unused sick leave shall be provided at separation only with a minimum of fifteen (15) years of service, or in the event of layoff.

SECTION 9. All sick days accumulated during the contract year in excess of forty-eight (48) days, shall be "bought back" by the City at 50% of the employee's wage rate during the year the sick time is earned. That is, if a person had accumulated forty-eight (48) days by July 1, 1985 and accumulates another twelve (12) days but does not use any of those sick days during the contract year, the City shall buy back all twelve (12) days at fifty percent (50%) of the employee's wage rate. If, for example, an employee on July 1, 1985 had accumulated forty (40) days of sick leave and earned twelve (12) days during the year, but had not used them for sick leave, the employee will have accumulated an excess of four (4) sick days. Said four (4) days shall be bought back by the City at fifty percent (50%) of the employee's wage rate. Payments shall be made between July 15th and July 30th following the end of each fiscal year. The fifty percent (50%) buy-back rate is fifty percent (50%) of the employee's daily base wage, excluding all differential, premiums, longevity adjustments, and other fringe benefits in effect on the last day of the fiscal year. The above stated "buy-back" of sick time shall be separate and distinct from the employee's short term and long term health and accident wage insurance policies, and further, the number of accumulated sick days shall in no way affect the insurance policies.

SECTION 10. Serious illness of husband, wife, or child shall warrant use of sick leave by the officer to make necessary arrangements for additional help at home, transportation, to hospital or doctor, after arrangements have been made with his immediate supervisor. Continued sickness in the home after one day shall not be considered cause for use of the officer's sick time.

SECTION 11. MATERNITY LEAVE

Maternity Leave shall be provided in accordance with the Family and Medical Leave Act (FMLA) and the City's policy to comply with the FMLA.

ARTICLE XVII - WAGE INSURANCE

SECTION 1. A "short term" and "long term" health and accident wage insurance policy shall be purchased through the City of Madison Heights. Said policy shall pay sixty percent (60%) of the employee's weekly wage after a sixty (60) calendar day waiting period and said payments shall continue until the age of sixty-five (65), provided the employee continues to be qualified, or until the employee is eligible for pension benefits, or until the employee obtains employment reasonably equal to his/her City employment.

Any benefits from social security, worker's compensation, or other similar sources, shall be deducted from the wage insurance benefits so that an employee will receive a total of no more than sixty percent (60%) of his regular weekly gross wage.

SECTION 2. An employee may request in writing a negative sick bank of up to a maximum of forty-eight (48) days subject to all of the following terms and conditions:

- 1) The employee must have a minimum of ten (10) years of service.
- 2) The employee must be disabled as a result of a second non-duty injury or illness which occurs within four (4) years of the date of the employee's return to work from being disabled as a result of a first non-duty injury or illness.
- 3) The employee must first utilize all accumulated sick time and accumulated compensatory time; provided, however, that with respect to accumulated compensatory time, an employee may, at his/her option, substitute an equal amount of vacation time for accumulated compensatory time.
- 4) The maximum number of negative sick days shall be equal to the number of work days which the employee was off, whether paid or unpaid, during the first sixty (60) day waiting period, subject to the provisions of the next paragraph.
- 5) During the four-(4) year interval following the employee's return to work, the maximum number of negative sick days shall be reduced as follows:
 - A) From the date of the employee's return to work to the first anniversary thereof
- Maximum negative sick days of forty-eight (48).
 - B) from the first anniversary date of the employee's return to work to the second anniversary thereof
- Maximum negative sick days of thirty-six (36).
 - C) from the second anniversary date of the employee's return to work to the third anniversary thereof
- Maximum negative sick days of twenty-four (24).

- D) From the third anniversary date of the employee's return to work to the fourth anniversary thereof
 - Maximum negative sick days of twelve (12)

- 6) Any negative sick days requested by the employee shall be repaid by the employee within two (2) years following the employee's return to duty through the use of sick time, vacation time, compensatory time and/or by deducting the dollar value of the remaining time from the employee's pay or any other monies the employee would otherwise be entitled to.

An employee shall not be eligible for a negative sick bank in the event there is non-compliance with any of the terms and conditions set forth above or the employee is disabled as a result of a non-duty injury or illness which occurs more than four (4) years from the date of return to work from being disabled as a result of a first non-duty injury or illness.

ARTICLE XVIII - BEREAVEMENT LEAVE

SECTION 1. In the event of death in the immediate family of the officer he/she shall be entitled to three days bereavement leave. If the funeral is to take place at a location more than 200 miles from the City of Madison Heights, an additional two days may be granted which will be deducted from either accrued sick leave or accumulated vacation, at the option of the officer.

SECTION 2. The immediate family shall be deemed to be husband, wife, child, mother, father, sister, brother, grandparent, mother-in-law, father-in-law, stepmother, and stepfather. Officers shall be entitled to one (1) day off with pay in the event of death of an aunt, uncle, grandchild, niece, nephew, brother-in-law, and sister-in-law, where their attendance is required at the funeral.

At the employee's discretion, two additional days may be utilized for the death of an extended family member. The employee shall utilize accumulated sick leave or accumulated vacation leave, at the employee's discretion and subject to verification by payroll records, for the additional two days.

ARTICLE XIX - HEALTH INSURANCE

SECTION 1. HOSPITALIZATION INSURANCE

A) Health care coverage prior to January 1, 2012 shall be in accordance with the respective Collective Bargaining Agreement.

Effective January 1, 2012, the Blue Care Network and Flexible Blue 2 medical plans shall no longer be offered, and all eligible employees shall be enrolled into Blue Cross Blue Shield Community Blue 4 (CB4) medical plan with a closed formulary \$5 generic/\$40 preferred brand/\$80 non-preferred brand prescription drug card.

The CB4 medical plan shall include a \$500 single/\$1,000 couple/family first dollar deductible, after which coinsurance will be provided at 80% with an annual employee maximum co-insurance out of pocket at \$1,500 single and \$3,000 family. In accordance with Health Care Reform preventative care is covered 100%. Copays shall include \$30 for office visits, \$30 for urgent care, and \$150 for emergency room visits.

Effective January 1, 2012, the City shall establish a Cafeteria Plan Section 125 Flexible Spending Account (FSA) for qualified medical expenses compliant with all IRS regulations. Employees may elect to contribute into the FSA on a pre-tax basis up to a limit set by the employer in compliance with IRS regulations and Health Care Reform. Employees must establish their contributions each calendar year, and the amount may not be altered unless the employee experiences a qualifying event as defined by the IRS. The City shall not contribute into the employee's FSA.

Qualified purchases during the calendar year using FSA funds must be submitted for reimbursement no later than seventy-five (75) days after December 31st each year.. Any money contributed into the FSA and not spent will be forfeited by the employee.

The City reserves the right to self insure any and all medical insurance plans as described in this Collective Bargaining Agreement at the City's sole discretion.

Effective July 1, 2011, the City shall comply with the State of Michigan Governor's Economic Vitality Incentive Program by imposing 20% premium sharing for new hires OR the City's share of the premium shall be cost competitive with the new state preferred provider organization health plan on a per-employee basis for new hires as required by the Economic Vitality Incentive Program.

Effective with payroll check dated July 5, 2013 the City implemented 20% health care premium sharing for all full-time employees in accordance with Public Act (PA) 152, and Council Resolution passed at the Regular Meeting of December 17, 2012. Should PA 152 be repealed, the parties will renegotiate the impact.

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

Effective with payroll check dated July 14, 2017 the City reduced the health care premium sharing for all full-time employees from 20% to 10%. The 10% premium sharing and PA 152 opt-out by City Council will continue for the next contract effective July 1, 2018 and will not be subject to change or negotiations during the term of that contract; however, the moratorium on these issues will be no more than three (3) years and will be subject to negotiation no later than June 30, 2020.

Effective July 1, 2018 the 10% premium sharing and PA 152 opt-out by City Council will continue through the contract through June 30, 2021 and will remain in effect for the term of the subsequent contract beginning July 1, 2021.

Blue Cross defines family to include you and/or your spouse and your children through the end of the calendar year in which they reach their nineteenth (19) birthday.

In the event that two City employees are married to each other, the hospitalization insurance set forth above shall be limited as follows: each employee will receive fully paid health care coverage as a subscriber or dependent, but not both. Each may maintain his/her own

individual contract or one-family contract with one employee as the subscriber and the spouse as a dependent. Similarly, any children or other dependents can be members of one employee contract but shall not have coverage as dependents on two employee contracts.

Police Officers and Service Assistants may, at their option and at their own expense, provide protection for older dependents, such as: parents, blood relatives, members of their household, and for children over nineteen (19).

A coordination of benefits program with disclosure of other carriers shall be instituted. Each employee shall within one month after ratification of this Agreement provide the City with his or her spouse's name, social security number, employer, and the name of any hospitalization plan which is available to the spouse at place of employment. The City in conjunction with Blue Cross/Blue Shield will implement coordination of benefits pursuant to M.C.L.A. 550.251, et. seq. and the rules of the state insurance commission both of which are hereby incorporated by reference as though fully stated herein.

- B) An employee may elect to receive an annual taxable payment of \$2,400 from the City in exchange for the employee's withdrawal from the City's health insurance plan for an indefinite period. Eligibility is contingent upon the employee providing proof to the City that he/she has health insurance coverage under their spouse's health insurance plan. City employees who are married to each other are not eligible to receive the "opt out" incentive.

An employee may elect to become reinstated to the City's health insurance plan prior to the next regular annual enrollment period if and only if he/she provides proof to the City that he/she has lost health insurance coverage, or provides proof of a HIPAA qualifying event.

In all cases where an employee who received the "opt out" payment wishes to become reinstated on the City's health insurance plan during the term of this Agreement due to a

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

HIPAA qualifying event, the "opt out" payment shall be amortized over the twelve month period by requiring the employee to remit to the City or have deducted from his/her pay a prorated amount of the \$2,400 "opt out" payment based on the number of months out of the year during which the employee was off the City's plan. For example, if an employee opted back on the City's plan effective five months after receiving the incentive payment, the employee would owe the City an amount equal to 5/12ths of the \$2,400 "opt out" payment.

Effective June 9, 2014, medical insurance opt-out shall be increased to \$3,000.

The "opt out" payment shall not be counted in final average compensation for retirement purposes nor shall an act 345 pension contribution be deducted from the "opt out" payment.

SECTION 2.

- (A) The City of Madison Heights will continue to provide coverage for the employee's existing health plan for any full time employee and family if the employee is disabled and unable to work as a result of an injury arising out of the course of employment until retirement age.
- (B) The City of Madison Heights will pay for the same coverage set forth in 2A above for any full time employee and family with at least one year of service who is disabled and unable to work as a result of a non-duty related injury or illness up to a maximum period of two (2) years beginning the month after the employee is disabled.
- (C) For purposes of this *Section, Parts A and B*, whether or not an employee is disabled will be determined according to standards established in the Michigan Worker's Disability Compensation Act.

SECTION 3.

Hospitalization insurance for spouse of officer killed in the line of duty. The City of Madison Heights shall assume the full cost of hospitalization insurance for a spouse and any minor children under the age of 18 of an officer killed in the line of duty. An officer killed in the line of duty shall mean one who dies as a direct result of a violent act while engaged in the performance of his/her duties. The hospitalization insurance shall be the same as that which was in effect at the time of the officer's death.

The City's obligation to provide hospitalization insurance for the spouse and minor children under age 18 as provided herein shall terminate upon the earliest of the following conditions:

1. The remarriage of the surviving spouse,
2. The surviving spouse's cohabitation with an unrelated adult male or female, whichever the case may be,

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

3. The surviving spouse receiving hospitalization insurance from any other source whatsoever. To this end, coordination of benefits and disclosure of other carriers as provided in *Section 1 of this Article* shall apply.

For purposes of this Section, a minor child(ren) shall be defined as the natural or adoptive child(ren) of the officer killed in the line of duty and the surviving spouse. Upon each minor child attaining the age of 18, the City's obligation to provide hospitalization insurance shall cease.

SECTION 4. DENTAL INSURANCE

Effective September 1, 2003, the City shall pay the premium for Delta Dental Premier coverage for employees and dependents (spouses and eligible children).

Basic coverage as herein provided is Class I benefit basic dental services; Class II benefit, periodontic/endodontic dental services and Class III benefit, prosthodontic dental services. Class I, II and III will be provided at 85% coverage for in-network and 75% for out-of-network.

The maximum contract benefit per person per contract year is \$1,000 for Class I and Class II benefits.

Effective September 1, 2003, the maximum contract benefit per person per contract year is \$1,500 for Class I, II and III benefits.

Effective February 16, 1999, the City shall provide Class IV orthodontic coverage for minor dependents (to age 19), with 50% coverage, and with a lifetime maximum of \$1,000 per eligible person.

SECTION 5. OPTICAL INSURANCE

Effective July 1, 1985, the City shall pay the premium for the current basic optical program as provided by Davis Vision.

BENEFITS: Each eligible employee, spouse, all dependent children under 19 years of age and bona fide dependent college students are entitled to an eye examination and a pair of glasses, if needed, once every two years.

This plan provides single vision lenses or for wearers of bifocals a choice of kryptok or D-SEG 25mm bifocal lenses or reifocal lenses, in glass or plastic. There is an allowance of \$58.00 towards any frame.

Or for patients who prefer contact lenses to glasses, there will be an allowance towards the total cost - a regular pre-contract exam plus \$40.00 towards contact lenses. This exam is necessary prerequisite to determine if contact lenses are suitable for the patient.

Or for post cataract patients, there will be \$50.00 allowance towards the total cost for lenticular lenses.

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

SURCHARGES: A patient selecting other items available in the optical office but not included in the plan (i.e., other multifocal lens types, oversize lenses, more expensive frame styles or indoor tints) would pay his own surcharge. A patient selecting frames not included in the funded plan would pay the marked price minus \$58.00.

There will be a lens surcharge on heavy prescriptions when the lens power exceeds 10.00 diopters spherical and/or 4.00 diopters cylindrical. Glasses will be available to wearers of corrective lenses only. This plan does not cover outdoor tints (sunglasses).

SECTION 6. MEDICAL EXAMINATION REQUIREMENTS

A) Effective August 1, 2003, the City shall reimburse \$125 each Fiscal Year for the purpose of an annual eye examination by an ophthalmologist each year, upon application and presentation of appropriate receipts, including prescription glasses and prescription contact lenses.

The medical examination reimbursement shall apply to the purchase of prescription or non-prescription sunglasses provided that eligibility is contingent upon the employee submitting to the City with the reimbursement request and receipt a medical practitioner's medical report (see paragraph below) stating that such sunglasses, whether prescription or non-prescription, are medically necessary in order for the employee to be able to perform the essential functions of his/her job.

The parties agree that the medical practitioner's medical report shall be valid throughout the life of the current contract for a bargaining unit member submitting annual requests for reimbursement.

This reimbursement shall not apply if the medical slip is signed by an individual other than the treating medical practitioner.

B) Effective August 1, 2003, any unused portion of the \$125 reimbursement may be applied to prescription drugs at \$10 per prescription during the annual reimbursement period from June 15 through June 30 for the current fiscal year. Valid receipts must be submitted to the Finance Department during this reimbursement period in order to receive the \$10 payment for each prescription.

C) Effective 7/1/14 the Medical Examination Reimbursement was eliminated and the City will provide an additional \$125 under Article XXIV - Uniform Allowance.

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

SECTION 7. BLUE CROSS/BLUE SHIELD FOR RETIREES

A) Full-term retirement is defined as twenty-five (25) years of service with the City. The limitations set forth above will continue to be in effect.

For all eligible full-term retirees prior to August 1, 2003 who retire before January 1, 2011, the City of Madison Heights shall, at the retiree's option, assume the full cost of Blue Care Network or Blue Cross/Blue Shield insurance for MVF-1, semi-private and prescription drug rider, and for master medical insurance for all full-term retirees and their spouses.

For eligible full-term retirees after August 1, 2003, the City shall provide Community Blue PPO Option 1 with a \$10 office co-pay or Blue Care Network each with the \$10 generic/\$20 brand name drug card at retirement at the employee's option. Should Blue Care Network not be available where the retiree lives, then the City shall provide Community Blue PPO. Should Community Blue PPO not be available where the retiree lives, then the City shall provide Blue Cross/Blue Shield Traditional hospitalization insurance at no cost to the employee.

THE FOLLOWING PROVISIONS WERE AGREED TO FOR THE 2008-2011 CONTRACT PURSUANT TO AN INTERIM ACT 312 AWARD SIGNED IN SEPTEMBER 2010.

For eligible full-term retirees who were hired before July 1, 2009 and retire on or after January 1, 2011, the City shall provide Flexible Blue Plan 2 or Blue Care Network or its equivalent with the drug card provided at the date of retirement. Should the retiree elect Flexible Blue Plan 2, there shall be no annual City contribution into the retiree's Health Savings Account.

B) For eligible full-term retirees who were hired prior to July 1, 2009, the City will extend health insurance coverage to the retiree's spouse at the time of retirement if eligible.

C) For eligible full-term retirees who were hired before September 10, 2010, the City will extend health insurance to eligible dependents as of the effective date of retirement only, with the retiree paying the full cost of the difference between couple or single coverage and the cost to provide coverage for the additional eligible dependents.

D) For eligible full-term retirees who were hired before September 10, 2010 and retire after January 20, 2012, the City shall provide Community Blue 4 insurance or its equivalent with the drug card provided at the date of retirement subject to prescription mirroring below.

E) All retirees retiring after July 1, 2014 and who are eligible for retiree health insurance as defined by this Collective Bargaining Agreement, shall receive the same prescription drug benefits afforded to active employees.

ARTICLE XIX - HEALTH INSURANCE

(CONTINUED)

F) Employees who retire after July 1, 2019 who are eligible for retiree health insurance shall mirror the active health care plan, including any employer contributions to HSA, HRA or other employer contributions made to active employees. Should health insurance be eliminated in a subsequent collective bargaining, the retiree shall retain the healthcare coverage he/she was enrolled in at the time of elimination.

Retiree shall also mirror the “opt-out” provisions and payments of active employees.

G) All retirees retiring after July 1, 2011 must enroll in Medicare Parts A & B when they become eligible, at the retiree’s sole expense.

H) Eligible retirees that were hired before July 1, 2009, and retire after July 1, 2018, who attain Medicare age, shall receive a \$300 stipend per month per employee and per eligible spouse to purchase Medicare Supplemental insurance, at which point all City obligations shall cease.

I) The City shall offer to any bargaining unit member who is eligible for retiree health care with less than twenty (20) years of credited service the option to participate in a retirement health care buy-out program. Should a member choose to participate, the City shall deposit \$4,000 per year of credited service into a Retirement Health Care Savings Program account. After electing participation in the buy-out program, the employee shall be eligible to participate in the City’s RHSP for all future years of service.

J) If a retiree obtains employment elsewhere, said retiree will have the option of obtaining hospitalization with the subsequent employer or retaining the coverage as enumerated above. In no event will the employee be allowed to retain two or more separate hospitalization plans. In the event the retiree obtains at his/her option, hospitalization insurance elsewhere, there shall be no liability with the City. Upon termination of subsequent employment the retiree, after giving notice to the City, will resume with the City, retiree hospitalization insurance as was in effect at the time of his/her retirement.

The City of Madison Heights shall continue to provide coverage for the employee’s existing health plan for all individuals who retire under a duty-connected disability and their allowable dependents.

K) Should the spouse or retiree be employed elsewhere and health insurance is provided to the spouse or retiree, equal to or greater than that provided to the retiree, the City will have no liability for hospitalization insurance. In the event the spouse or retiree terminates employment, the City after notice, will resume hospitalization coverage as enumerated above at the time of retirement.

Upon the death of a retiree, retiring prior to January 1, 1992, the City's obligation to provide hospitalization insurance to the spouse shall cease. The City shall continue to provide hospitalization insurance to the spouse, upon the death of a retiree retiring on or after January 1, 1992, unless the spouse shall remarry. If the spouse of a retiree, entitled to continued hospitalization insurance coverage under this subsection upon the retiree's death, obtains employment elsewhere

ARTICLE XIX - HEALTH INSURANCE (CONTINUED)

following the retiree's death, said spouse shall have the option of obtaining hospitalization insurance with the subsequent employer or retaining the coverage enumerated above. In no event will the spouse be allowed to retain two or more separate hospitalization insurance plans. In the event the spouse obtains, at the spouse's option, hospitalization insurance elsewhere, there shall be no liability with the City. Upon termination of subsequent employment, the spouse, after giving notice to the City, may resume with the City, retiree hospitalization insurance as was in effect at the time of the retiree's retirement.

L) ELIMINATION OF RETIREE HEALTH CARE FOR EMPLOYEES HIRED AFTER JULY 1, 2009

For all eligible full-time employees hired after July 1, 2009, no retiree health insurance shall be provided. In lieu of health insurance, the employee shall be provided with a Health Care Savings Plan (HCSP). The City shall contribute \$100 per month into the HCSP and the employee shall contribute 8% of his or her base salary on a tax-free basis.

For all eligible full-time retirees hired after July 1, 2009, effective July 3, 2014 the employee contribution to the HCSP shall be reduced to 4%.

For all eligible full-time retirees hired after July 1, 2009, effective July 1, 2015 the employer contribution to the HCSP shall be increased from \$100 per month to 3% of an employee's base pay.

Upon termination of employment with the City, for any reason, the employee contribution portion of the HCSP shall be available for use on a tax-free basis for any medically related expense as permitted under IRS regulations. The employer contribution portion shall be available to the employee after a seven (7) year vesting period.

Effective July 1, 2017, the employer contribution portion shall be available to the employee after a five (5) year vesting period.

M) Members of the department hired on or after July 1, 2009, who meet the eligibility requirements for a duty related disability pension, and have been granted such pension by the City of Madison Heights Act 345 Retirement Board, will be eligible for retiree health insurance so long as they continue to receive a duty disability pension from the City of Madison Heights subject to the following conditions:

1. It will cover the duty disability retiree and their spouse and dependents at the time they were determined to be eligible for duty disability retirement only;
2. During the period when they are eligible, the member will be provided the same health insurance and prescription drug coverage provided to active employees as may change due to mirroring;

ARTICLE XIX - HEALTH INSURANCE (CONTINUED)

3. A member will not be eligible to receive benefits under this provision if they or their spouse are eligible to receive health insurance benefits under any other health insurance plan;

This benefit cease upon the occurrence of any of the below events:

- a. Termination of the employee's duty disability retirement and pension.
- b. Eligibility to participate in a federal or state health care program that provides similar insurance to that of the active workforce.
- c. Attainment of regular retirement age, but under no circumstances will this benefit continue past age sixty-five (65).

4. To be eligible under this benefit, anyone hired on or after July 1, 2009 who has a retiree healthcare savings plan, the retiree must first utilize and exhaust those payments to pay premiums for these benefits and, thereafter, if otherwise eligible, the City will pay the benefits above.

- N. Effective June 9, 2014, upon separation from employment with ten (10) or more years of service, each employee shall contribute unused vacation and unused sick leave payable under Article VIII and Article IX (J) respectively, into the HCSP account, with no withholding taxes, including FICA and Medicare, as allowable under IRS rules. The Union has elected to contribute 10% of eligible sick leave and vacation leave into the HCSP.
- O. Effective July 1, 2015, upon separation from employment with ten (10) or more years of service, each employee shall contribute unused vacation and unused sick leave payable under Article VIII and Article IX (J) respectively, into the HCSP account, with no withholding taxes, including FICA and Medicare, as allowable under IRS rules. The Union has elected to contribute 100% of eligible sick leave and vacation leave into the HCSP.
- P. Effective July 1, 2019, upon separation from employment with ten (10) or more years of service, each employee shall contribute unused vacation and unused sick leave payable under Article VIII and Article IX (J) respectively, into the HCSP account, with no withholding taxes, including FICA and Medicare, as allowable under IRS rules. The Union has elected to contribute 50% of eligible sick leave and vacation leave into the HCSP.

ARTICLE XIX - HEALTH INSURANCE (CONTINUED)

SECTION 8. PATIENT PROTECTION AND AFFORDABLE CARE ACT /HEALTH CARE REFORM ACT OF 2010

The City shall comply with all provisions of the Patient Protection and Affordable Care Act/Health Care Reform Act of 2010 as they apply to both active employees and retirees, and as such health insurance plans are subject to change in order to remain in compliance with same and avoid penalties and subsidies.

The City reserves the right to maintain or institute cost containment measures relative to insurance coverage in order to remain in compliance with Health Care Reform, and the employer OR the Union may reopen the contract to address Health Care Reform issues only.

ARTICLE XX - FAMILY AND MEDICAL LEAVE

Nothing in this agreement shall supersede the City's policy to comply with the federal Family and Medical Leave Act (FMLA).

ARTICLE XXI - LIFE INSURANCE

SECTION 1. ACTIVE

The City shall assume the cost of maintaining \$25,000 term life insurance on each officer. Effective August 1, 2003, the City shall assume the cost of maintaining \$50,000 term life insurance on each officer.

SECTION 2. RETIREES

Commencing July 1, 1975, and upon retirement with a City pension, each employee shall be entitled to a group life insurance policy valued at \$2,500.00. The entire cost of premium for same, shall be assumed and paid by the City of Madison Heights.

Commencing July 1, 1996, and upon subsequent retirement with a City pension, each employee shall be entitled to a group life insurance policy valued at \$10,000. The entire cost of premium for same, shall be assumed and paid by the City of Madison Heights.

Retiree life insurance shall be eliminated for all retirees who retire after July 1, 2018.

ARTICLE XXII - WORKER'S DISABILITY COMPENSATION

Provisions of the Michigan Worker's Disability Compensation Act shall apply in all accidents or injuries to officers in the line of duty. Each officer occupying a position of permanent full time employee, who is unable to work as a result of an injury arising out of the course of employment, shall receive full pay for the one (1) week waiting period required by the Worker's Disability Compensation Act, which shall not be chargeable to the officer's sick leave, provided that if an employee does receive worker's disability compensation for the first week of injury, such compensation shall be paid over to the City of Madison Heights. Further, payment shall be the amount provided under the Michigan Worker's Disability Compensation Act, to which the City shall add an amount in addition to the amount being received from the worker's disability compensation payment, which shall equal to ninety percent (90%) of the officer's net pay at the time of the injury. Net pay as referred to herein shall be the annual gross base, less federal and state income taxes, and Medicare, if applicable, at the time of injury. The employee shall have the option of using accumulated sick time to make up the difference between ninety percent (90%) and one-hundred percent (100%) of net pay. Sick pay shall then be charged at one-tenth (1/10th) of a day for each day used.

Once established, the amount paid by the City shall not increase and two (2) years from the date of injury all City payments and benefits shall cease. If, within said two (2) year period, the officer shall become qualified for assistance under Michigan Public Act 345, as amended, or if the officer becomes able to work in some business or occupation other than police work, which will pay an amount substantially equal to or more than that allowed by Public Act 345 for total disability retirement, the City's amount shall be terminated. Ability to work in another business or occupation will be determined by a medical committee composed of one doctor selected by the City, one doctor selected by the Madison Heights Police Officers Union, and a third medical doctor selected by the first two doctors. The City and the Union shall pay for their own selected doctor and shall share equally the cost of the third doctor.

Failure on the part of the disabled officer to submit to such medical examination shall automatically terminate the City's obligation hereunder.

ARTICLE XXIII - LONGEVITY PAY

SECTION 1.

All employees not covered by Section 2 or 3 below having completed five (5) or more years of continuous service shall be eligible to receive longevity pay on the first payday after their anniversary date.

After completion of 5 years but less than 10 years	2% of base pay (excluding overtime and premium pay)
After completion of 10 years but less than 15 years	4% of base pay (excluding overtime and premium pay)
After completion of 15 years but less than 20 years	6% of base pay (excluding overtime and premium pay)
After completion of 20 years and over	8% of base pay (excluding overtime and premium pay)

During the contract in which the employee retires under one of the City's retirement plans, the employee shall be entitled to receive, at the time of retirement, a pro-rated portion of the longevity. All longevity compensation is subject to deduction for income tax, retirement, and social security benefits.

SECTION 2.

All employees hired on or after July 1, 1994 but before July 1, 2009, having completed five (5) or more years of continuous service shall be eligible to receive longevity pay on the first payday after their anniversary date.

After completion of 5 years but less than 10 years	1% of base pay (excluding cola, overtime and premium pay)
After completion of 10 years but less than 15 years	3% of base pay (excluding cola, overtime and premium pay)
After completion of 15 years but less than 20 years	5% of base pay (excluding cola, overtime and premium pay)
After completion of 20 years and over	6% of base pay (excluding cola, overtime and premium pay)

During the contract in which the employee retires under one of the City's retirement plans, the employee shall be entitled to receive, at the time of retirement, a pro-rated portion of the longevity. All longevity compensation is subject to deduction for income tax, retirement, and social security benefits.

SECTION 3.

Effective July 1, 2009, longevity shall be eliminated for all new hires.

Effective November 28, 2011 some bargaining unit members who received longevity pay and were affected by Public Act 54 will receive a prorated adjustment that accounts for the time the contract remained unsettled. PA 54 no longer applies to police officers and no such adjustments have been made since passage of that statute. Should any court ruling determine that for periods where PA 54 was applicable, that full retroactive payment is required under Public Act 54, the City agrees to make members whole in accordance with the court decision, if any are eligible.

ARTICLE XXIV - UNIFORM ALLOWANCE

SECTION 1. There shall be a full uniform allowance paid to all members of the Police Department with six (6) months service or more (excluding clerical employees) of \$975.00/per annum payable at the rate of \$487.50 with the first pay in July and \$487.50 with the first pay of December. In addition to this, the City shall pay an initial "uniform allowance" in the amount of \$100.00 to all newly hired patrol officers. The first \$487.50 payment shall be pro-rated according to the number of months from the appointment to the next payment cut-off date which will be figured as the first day of July and the first day of January. Effective July 1, 1995, the annual taxable uniform allowance shall be \$1,075.00.

Effective July 1, 2014, the uniform allowance shall be increased by \$125 bringing the annual taxable uniform allowance to \$1,200.

SECTION 2. At separation, the employee shall be paid a pro-rated portion of the semi-annual uniform allowance payment based on the number of calendar days on the payroll from January 1 or July 1, whichever is most recent, to the employee's separation date. For example, an employee retiring effective August 1 shall receive a pro-rated uniform allowance payment based on thirty-one calendar days (e.g. \$537.50 x 31/182.5ths).

SECTION 3. This uniform allowance is to include the purchases of police uniform, shoes, boots, rubbers, coat, cap, hard-hat, gloves, and other miscellaneous items not furnished by the Department.

SECTION 4. The following equipment shall be furnished by the Department:

- Badges
- Service Handgun & Ammunition
- Collapsible Baton
- Handcuffs
- Initial Raincoat
- Batteries

ARTICLE XXV - MANAGEMENT RIGHTS

SECTION 1. It is recognized that the management of the City, the control of its properties and the maintenance of order and efficiency, is solely the responsibility of the City. Other rights and responsibilities belonging solely to the City are hereby recognized, prominent among which, but by no means wholly inclusive are: work to be performed within the unit, amount of supervision necessary; material and equipment selection; methods, schedules of work, together with the selection or procurement; designing, engineering and the control of equipment and materials; and the right to purchase services of others through contracts or otherwise, except as may otherwise be expressly limited in this Agreement.

SECTION 2. INSURANCE CARRIERS: The City shall have the right to change insurance carriers for fringe benefits after July 1, 1979, provided that the employees receive similar or greater benefits with any new insurance program.

SECTION 3. PHYSICAL EXAMINATIONS: It is the intention not to make the physicals compulsory but the City does retain its traditional right to require an employee to take physical or mental examinations if the City believes that some condition is affecting the employee's job performance. The City and the officer will cooperate with any recommendations the physician may make.

SECTION 4. It is further recognized that it is the responsibility of the City for the selection and the direction of the individual officers in each platoon, including the right to hire, suspend, or discharge for just cause, assign, promote or transfer, to determine the amount of overtime to be worked, subject to the seniority rules, grievance procedure and other express provisions of this Agreement as herein set forth.

SECTION 5. It shall be a violation of this agreement for any police officer on duty and when so ordered, to refuse to cross, control, or maintain peace and order in any picket line of any group involved in a strike or other concerted actions. Refusal to maintain the peace and law and order of persons engaged in strike activities, shall be deemed insubordination and misconduct and shall be sufficient cause for immediate dismissal.

ARTICLE XXVI - MAINTENANCE OF PAST PRACTICES AND SHIFT SELECTION

SECTION 1.

- A) The City agrees that the conditions of employment relating to wages, hours of work, representation, general working conditions, sick leave, vacations, shift reporting time, and the specific terms of this Agreement, in effect at the signing of this Agreement, shall continue in effect for the duration of this Agreement subject to the provisions of *Paragraph 1B* herein.

- B) The City may promulgate or amend the Departmental rules and regulations which shall not be in conflict with the terms of this agreement, subject to the Union's right to grieve the reasonableness, application or enforcement thereof.

SECTION 2. SHIFT SELECTION

Employees covered under this agreement in the patrol division shall have the opportunity three (3) times a year to select the work shift of their preference, based on seniority.

- A -

Selection shall be based on a first (1st) and second (2nd) choice basis with seniority to be the final designating factor.

- B -

Prior to the eligible employees making their shift selection the employer shall have the opportunity of selecting three (3) employees, regardless of seniority and placing them on a work shift of the employer's choosing. The selection of said three employees shall include probationary employees with the exception of those probationary employees assigned to a field training officer. Any employees so selected shall remain on the designated work shift for the entire shift selection period except in the case of an employee within his probationary period who, within the confines of this Section, may be placed on a work shift of the employer's choosing for periods of not less than a month. Furthermore, within any shift selection period, the employer, upon one week's notice to the affected probationary employee, may replace one or more probationary employees whom the employer has placed on a work shift under this Section with one or more probationary employees again for a minimum one month period.

- C -

The selections by the employer shall be posted at least two (2) weeks prior to the posting of the shift preference list.

SECTION 3. This Article shall in no way affect the provisions of *Article XXV* of this Agreement, nor may this clause be used as a means to lower the high caliber of performance and efficiency expected of a police officer of the City of Madison Heights Police Department. It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the City or the Union in applying the terms and conditions of this Agreement if such error is corrected within ninety (90) days from the date of notification of the error.

ARTICLE XXVII - TUITION REFUND

SECTION 1. The City shall assume the full cost of tuition, and/or textbooks not to exceed \$400.00 per fiscal year, for any officer who pursues a course that has a direct relationship to police work or attends a work related seminar which has been approved by the Chief of Police and/or City Manager and meets the eligibility requirements in Section 2 below. If such tuition is granted to an employee, and that employee terminates employment with the City within twelve (12) months after completion of the course, the amount of tuition paid by the City will be deducted from the officer's final pay.

SECTION 2. Tuition reimbursement shall be provided in accordance with the following schedule:

Grade of "B" or better.....	100% (up to \$400 annual maximum)
Grade of "C" to "B-".	75% (up to \$400 annual maximum)
Grade below "C".	no reimbursement

For courses which are otherwise eligible for reimbursement and are only offered on a pass/fail basis an individual who passes will receive the 100% reimbursement up to the \$400 annual maximum.

ARTICLE XXVIII - EDUCATION INCENTIVE

SECTION 1. Any employee who has received, or who receives an associate degree or successfully completes or has completed the equivalent of two (2) years of college credit towards a bachelor's degree will receive an additional one hundred dollars (\$100.00) per annum to be paid in a lump sum at the end of the fiscal year, provided that such associate degree or contemplated bachelor's degree is related to police work. Effective July 1, 1995, the annual taxable education incentive pay for an associate's degree shall be \$300.00.

SECTION 2. Any employee who receives, or has received a bachelor's degree shall receive two hundred dollars (\$200.00) per annum to be paid in a lump sum at the end of the fiscal year, provided that such bachelor's degree is related to police work. Effective July 1, 1995, the annual taxable education incentive pay for a bachelor's degree shall be \$400.00.

SECTION 3. Education incentive is payable in arrears on June 30. At separation, the employee shall be paid a taxable prorated portion of the annual education incentive lump sum based on the number of calendar days on the payroll from the previous July 1 out of a total of 365 calendar days. For example, an employee retiring effective August 1 will receive a taxable prorated education incentive based on 31 calendar days (e.g. \$100 or \$300 or \$400 x 31/365ths).

SECTION 4. Patrol Officers hired after July 1, 2009 and no later than July 1, 2019 shall receive an annual \$1,000 weapons proficiency allowance for qualifying with all department-issued firearms.

ARTICLE XXVIII - LUNCH TIME

All officers shall be entitled to one-half (1/2) hour lunch period during his/her eight (8) hour tour of duty. This lunch period shall be considered on-duty time and the officer shall be subject to call during this period in case of emergency.

ARTICLE XXIX - BULLETIN BOARD

The City shall provide a bulletin board of reasonable size to the Union for posting of Union business. This board shall be located in the Police Station in an area acceptable to the Union and to the Police Chief.

ARTICLE XXX - WAGES

SECTION 1.

Effective as soon as practicable after March 11, 2019, each member shall receive a one-time taxable signing bonus of \$500, which shall not be rolled into base wage.

The wage rates for Police Officers shall be as follows:

POLICE OFFICER

YEAR	START	12 MONTHS	24 MONTHS	36 MONTHS
July 1, 2018 – June 30, 2019	\$44,744	\$50,096	\$55,439	\$65,029
July 1, 2019 – June 30, 2020	\$45,751	\$51,223	\$56,687	\$66,493
July 1, 2020 – June 30, 2021	\$46,780	\$52,376	\$57,962	\$67,989

SECTION 2. Beginning with the effective date of this Agreement employees covered under this Agreement shall receive a cost-of-living allowance in accordance with the following provisions:

- A) The amount of the cost of living allowance for fiscal years 2002/03, 2003/04, 2004/05, 2005/06, 2006/07, and 2007/08 shall be determined with the change in the bureau of labor statistics consumer price index for Detroit, Michigan, (1967=100) hereinafter referred to as the "index", from the index at the end of June in each fiscal year, June 30, 2002, June 30, 2003, and June 30, 2004, June 30, 2005, June 30, 2006 and June 30, 2007 respectively.

The allowance shall consist of a base which shall be the amount of the allowance in effect on June 30, 2002 plus one cent per hour for each .4 change in the index up to a maximum of thirty-five cents hourly which shall include the base of thirty-five cents as described herein.

- B) The cost-of-living allowance shall be paid to each employee in one lump sum at the end of each quarter starting with the end of October, 2002. Such compensation shall include vacation pay and sick pay. In addition the cost-of-living adjustment shall not be considered a part of the base wage.
- C) In no event will a decline in the index, below June 2002, provide a basis for reduction in this wage rate.

SECTION 3.

Effective July 1, 1998, the following shift differential shall be in effect:

- Afternoons 50¢ per hour
- Midnights 50¢ per hour

Shift differential shall not be included in the computation of longevity.

ARTICLE XXX – WAGES

(CONTINUED)

Afternoons shall be defined as any shift or tour of duty beginning at 3:00 p.m. or any time thereafter up to 11:00 p.m. except that if more than four hours of the officer's regularly assigned tour of duty is within the time from 3:00 p.m. to 11:00 p.m., the shift differential rate for afternoons shall apply to those hours actually worked, exclusive of overtime, between 3:00 p.m. and 11:00 p.m. Midnights

shall be defined as any shift or tour of duty beginning at 11:00 p.m., except that if more than four hours of the officer's regularly scheduled tour of duty is within the time from 11:00 p.m. to 7:00 a.m., the shift differential for Midnights shall apply to those hours actually worked, exclusive of overtime, between 11:00 p.m. and 7:00 a.m.

SECTION 4. Effective June 9, 2014, direct deposit shall be mandatory for any and all payroll checks from the City including special pays (e.g. longevity, medical opt-out incentive, etc.).

ARTICLE XXXI - JOINT RESPONSIBILITIES

SECTION 1. There shall be no strikes, concerted failure to report to work by either feigned or pretensive illness, slowdowns, sitdowns, stay-ins, or stoppage of work, or any lockouts, during the term of this Agreement. While this Agreement is in effect, there shall be no interruption of police protection, service to the public, or any curtailment thereof. In the event of such interruption or curtailment, the Union shall immediately instruct the involved employees, in writing, that their conduct is in violation of this Agreement and that they may be disciplined up to and including discharge for dereliction of duty and instruct all persons to immediately cease said offending conduct. The City reserves the right to utilize all legal remedies available under law against the Union for any illegal activity under law against the contract and/or laws of the State of Michigan.

SECTION 2. This Agreement contains all agreements regarding items covered under Act 379 of the P.A. 1964, between the City and the Union. No section of this Agreement shall supersede or take precedence over the City Charter of the City of Madison Heights nor over the existing rules and regulations of the City governing the operations of the Police Department and the employees thereof.

ARTICLE XXXII - MILITARY LEAVE

Employees who are inducted into the armed forces of the United States of America under the Selective Service Act of 1940, as amended, and/or any other applicable federal law, shall be entitled to a military leave of absence without pay for a period of service required by such original period of induction. Upon their honorable discharge, if physically fit to perform the duties of the position which they have held upon entering the military service, such employee shall be reinstated to their former position or one comparable to it providing all Department requirements are adhered to.

ARTICLE XXXIII - PENSION

SECTION 1. Pensions shall be provided pursuant to Act 345, P.A. 1937, as amended. Average Final Compensation shall mean the average of the 3 years of highest annual compensation received by a member during his/her 10 years of service immediately preceding retirement.

Commencing on July 1, 1985, upon retirement from service following completion of 25 years of service, a member shall receive a retirement pension payable throughout the member's life of 2.5% of the member's average final compensation multiplied by the first 25 years of service credited to the member, plus 1% of the member's average final compensation multiplied by the number of years, and fraction of a year, of service rendered by the member in excess of 25 years.

Commencing on July 1, 1995, upon subsequent retirement from service following completion of 25 years of service, a member shall receive a retirement pension payable throughout the member's life of 2.8% of the member's final average compensation multiplied by the first 25 years of service credited to the member, plus 1% of the member's final average compensation multiplied by the number of years, and fraction of a year, of service rendered by the member in excess of 25 years.

Further, on July 1, 1995, the employee contribution to the retirement system shall increase from 5% to 9.20% of payroll. The Association further agrees and understands that the 4.20% increase is based on the actuarial valuation done by Gabriel, Roeder, Smith & Company, actuaries and that this valuation is based on a thirty year amortization for member contributions only.

Commencing with regular payroll dated July 19, 2003 the employee contribution to the retirement system shall decrease from 9.20% to 6.67% of payroll.

Effective November 28, 2011, the employee pension contribution to the retirement system shall be increased from 6.67% of payroll to 9.17% of payroll on a pre-tax basis.

Effective July 1, 2015, the employee pension contribution to the retirement system shall be reduced from 9.17% of payroll to 8.9% of payroll on a pre-tax basis.

For Police Officers hired after July 1, 2009, employee contributions to the retirement system was taken from base wage only.

For Police Officers hired after July 1, 2019, employee contributions to the retirement system shall be in the amount of 6.9% of pensionable wages.

Final average compensation commencing on July 1, 1985 shall not include any monies paid or due to be paid by the City for sick leave which has been accumulated and banked, nor shall final average compensation be changed to include any post-retirement compensation for attendance in court as set forth in Article XIII, Section 2(B). Also, final average compensation shall not include the health insurance "opt out" payment or HMO incentive payment described in Article XIX, Sections 1(B) and 1(C), respectively.

ARTICLE XXXIII - PENSION

(CONTINUED)

Final average compensation commencing on July 1, 1985 shall include payment for the following for Officers hired before 7/1/2009:

1. A maximum of thirty-five days of accumulated and/or current vacation pay
2. A maximum of eight days of accumulated compensatory time
3. Overtime not related to compensatory time
4. Shift differential
5. Court time
6. Holiday pay
7. Call-in
8. Longevity
9. Cost-of-Living Allowance
10. Annual buy back of sick leave
11. Uniform allowance (to be included on or after July 1, 1994)
12. Education incentive (to be included on or after July 1, 1994)An employee, regardless of the method of pension calculation, shall receive all accumulated sick leave and vacation monies due and owing on retirement. An employee may at his/her option elect to leave prior to his/her normal retirement date by utilizing any accumulated vacation leave and/or compensatory time.

Effective December 31, 2020, overtime shall be eliminated from computation of final average compensation for all members.

SECTION 2. No employee hired on or after January 1, 1984 shall have any accrued vacation used for purposes of computation of final average compensation.

SECTION 3. Hospitalization insurance for retirees shall be paid through the pension system and funded by the Police-Fire Pension millage.

SECTION 4. For police officers hired after July 1, 2009, upon subsequent retirement from service following completion of 25 years of service with mandatory minimum age of 55 years, a member shall receive a retirement pension payable throughout the member's life of 2.5% of the members Final Average Compensation calculated on base wage only, multiplied by the first 25 years of service credited to the member, plus 1% of the member's Final Average Compensation multiplied by the number of years, and fraction of a year, of service rendered by the member in excess of 25 years.

Officers hired on or after July 1, 2009 shall be eligible for full pension benefits at 55 years of age and 15 years of service. The parties acknowledge that should an officer hired on or after July 1, 2009 leave the City prior to age 55 but with more than 10 years of service, they would not be eligible to draw their pension until age 60.

SECTION 5. ANNUITY WITHDRAWAL.

Subject to the provisions outlined below, a member retiring with twenty-five years of service may, at the member's option, elect to receive a refund of the member's accumulated contribution including interest on the effective day of their retirement.

The member's pension shall be reduced by an amount which is the actuarial equivalent to the refunded accumulated contribution including interest. The actuarial equivalent amount shall be computed on the basis of the 1971 group annuity, male mortality table and an interest rate equal to the weighted average yield to maturity of the Merrill Lynch corporate and government master bond index, published monthly by Merrill, Lynch, Pierce, Fenner and Smith, Inc. As provided by the actuary firm for the retirement system.

Effective with the fiscal year beginning July 1, 1994, each member shall no longer be credited with two percent (2%) interest on the member contributions. Instead, as of June 30 of each year, the percentage increase or the percentage decrease, if any, in the market value of the reserve for employee contributions since the last annual adjustment and all income on the reserve for employee contributions for the period shall be credited to or deducted from each member's contribution account, whichever the case may be, which shall be determined by the ratio that each account balance bears to all member contributions in the reserve for employee contributions.

SECTION 6.

Effective November 28, 2011, interest earned on employee pension contributions shall be 3.5% for interest credited after November 28, 2011.

For officers hired on or before June 30, 2009, annuity shall be frozen effective from the date of June 30, 2019 and going forward.

For officers hired after June 30, 2009 and before July 1, 2019, annuity withdrawal shall be limited to 85%.

For officers hired after July 1, 2019, annuity withdrawal shall be eliminated.

Effective January 1, 2020, interest on annuity shall be eliminated for all members.

SECTION 7.

- (a) Employer pickup: the City shall pick up the employee contributions required of employees for all compensation earned after the effective date of this provision, January 1, 1995. The contributions, so picked up, shall be treated as employer contributions in determining tax treatment under the United States Internal Revenue Code. The City shall pick up these employee contributions from funds established and available in the employees deferred pension contribution account, which funds would otherwise have been designated as employee contributions and paid to the retirement fund. Employee contributions picked up by the City, pursuant to this provision, shall be treated for all other purposes, in the same manner and to the same extent, as employee contributions made prior to the effective date of this provision. Pursuant to Section 414(h) of the United States Internal Revenue Code, these employee contributions so picked up shall not be included in total income for income tax purposes.
- (b) With respect to this plan amendment and the "pickup" of employee pension contribution set forth in paragraph (a) above, it is expressly understood and agreed as follows:

- i. This plan amendment is being adopted for the purpose of allowing employees to take advantage of IRS code provisions which permit government employees to tax shelter their pension plan contributions.
- ii. The actual current and future total salary of the employees will not be affected by the plan amendment.
- iii. Employee contributions will be withheld from actual total salary and paid to the plan as has been the practice in the past.
- iv. Actual total salary will continue to serve as the basis for determining the amount of salary related fringe benefits, including retirement benefits.
- v. Total salary taxable for federal income tax purposes (salary reported on Form W-2) for the employees will be equal to actual total less the employee contribution to the pension plan and further reduced by any deferred compensation under a Section 457 Plan.
- vi. The City will maintain information which will permit identification of the amount of employee contributions made before and after the Plan amendment. This is necessary in order to determine the extent to which a pension plan distribution is taxable income to the employee at the time the distribution is received.
- vii. The plan amendment is being accomplished through the collective bargaining process rather than a change in state law.
- viii. An employee does not have the option of choosing to receive the contributed amounts directly instead of having them paid by the City to the retirement system.

SECTION 7. The pension terms and benefits for a retiree shall remain as defined by the Collective Bargaining Agreement in effect at the time of his/her retirement.

ARTICLE XXXIV - WORK SCHEDULE

SECTION 1. The normal work schedule of members of the bargaining unit shall be 160 hours, plus fifteen minutes show-up time, if any, per work shift during any 28 day work period. Members of the bargaining unit shall be entitled to overtime compensation under the Collective Bargaining Agreement for time worked in excess of scheduled hours, plus fifteen minutes show-up time, if any, per work shift.

SECTION 2. The existing work schedule of six days on and either two or four days off shall continue provided that the City retains the right under Article XXV, Section 1, Management Rights, to make reasonable changes in such schedule upon 30 days notice to the Union.

SECTION 3. The 28-day work cycle coincides with a 2-pay pay period in compliance with the Fair Labor Standards Act (FLSA).

SECTION 4. The City will pay any monies owed for FLSA “Lump Sum” amounts in January for the prior calendar year. The City is obligated to include the pertinent “Lump Sums” only while required to do so by law.

Beginning with the 2002 Calendar Year, each bargaining unit member shall receive an annual taxable check of \$50.00 in fulfillment of FLSA Lump Sum Overtime Calculations, which will be issued in January for the preceding calendar year.

The parties acknowledge and agree that the issuance of the lump sum checks shall be deemed to fulfill all requirements under the FLSA regarding “lump sum” amounts being factored into the overtime rate. Should the requirements for a lump sum calculation be overturned by court decision or amendment of Federal Law, the City’s obligation to perform such calculations or issue an annual check in lieu of performing the calculations shall cease.

ARTICLE XXXV – GENERAL

SECTION 1.

TAKE HOME CITY VEHICLES – Members assigned to the Special Investigation Unit (SIU) and Crime Suppression Task Force as of the ratification date will continue to be allowed use of a City vehicle for business and commute purposes only. There will be no take home privileges for any future member assigned to the SIU or any other special unit where the City is responsible for funding the vehicle (e.g. Crime Suppression Task Force). Regarding multi-jurisdictional special units where take home vehicles are funded by an agency other than the City (e.g. CAT, NET), members assigned to such special units will continue to be allowed use of a take home vehicle. However, in the event that the City becomes responsible for funding vehicles for such special units, take home vehicle privileges are revoked effective when the City becomes responsible for funding the vehicles.

SECTION 2.

The parties agree to implement the Early Return to Work Program as designed by Focus Management Group. The City reserves the right to amend, modify, substitute, or cancel the program upon written action to the Union.

ARTICLE XXXVI - POLICE SERVICE ASSISTANTS

SECTION 1. The classification of Police Service Assistant shall include employees hired to perform duties related to E-911, dispatching and other administrative functions which do not require the services of a sworn police officer. Service Assistants shall be on probation for one year from date of hire. Confirmation will be dependent upon satisfactory performance evaluations.

SECTION 2. It is specifically understood that a Police Service Assistant is not a Police Officer and that no special consideration will be given to any Police Service Assistant who applies for the position of Police Officer. To this end, it is understood and agreed by the parties that Police Service Assistants shall be excluded from the provisions of Act 78, MCLA 38.501 et. seq., and from the provisions of MCLA 38.521.

SECTION 3. Entry level employment requirements, minimum age, and training requirements shall be established by the City of Madison Heights by policy.

SECTION 4. In the event of layoff of Police Service Assistants, seniority shall prevail. In the case of two or more Service Assistants hired on the same date, the Service Assistant with the higher position on the eligibility list shall have higher seniority.

SECTION 5. Police Service Assistants shall be covered by the existing Collective Bargaining Agreement between the City of Madison Heights and the Union except as specifically excluded herein. In the event of conflict in terms and conditions between the Collective Bargaining Agreement and this Article, this Article shall prevail.

Police Service Assistants shall, within thirty (30) days from their date of employment, either join the Union or pay an amount equivalent to the monthly dues as provided in *Article II*.

SECTION 6. Effective July 1, 2002, a Cost of Living Allowance (COLA) of \$728 shall be established and rolled into Police Service Assistant wages. Police Service Assistants shall not receive a separate COLA check. Also effective July 1, 2002, the equivalent of a 2.53% pension contribution reduction shall be rolled into the base wage.

Effective July 1, 2015, a one-time lump sum payment equal to 1% of a member’s July 1, 2015 base wage shall be provided to all bargaining unit employees, which shall not be rolled into base wage, nor included in pension FAC or any other wage-based benefits.

Wage rates for Service Assistants shall be:

POLICE SERVICE ASSISTANTS

YEAR	START	12 MONTHS	24 MONTHS
July 1, 2018 to June 30, 2019	\$38,473.76	\$41,097.26	\$43,907.97
July 1, 2019 – June 30, 2020	\$39,339.46	\$42,022.03	\$44,895.97
July 1, 2020 – June 30, 2021	\$40,224.50	42,967.60	\$45,906.22

SECTION 7. Service Assistants who work more than eight (8) hours in a day or more than forty (40) hours in a week shall be paid at the rate of time and one half for all hours in excess of eight (8) in one day or forty (40) in one week. Service Assistants who are called in to work shall receive a minimum two (2) hours at time and one half. However, Service Assistants may accumulate

compensatory time off (CTO) to a total of sixty-four (64) hours at the rate of one-and-one-half the actual hours worked. Service Assistants may use up to a maximum of sixty-four (64) hours of CTO annually by fiscal year.

SECTION 8. Service Assistants who are assigned to work on a holiday shall be paid at the rate of time and one-half (1 ½) for all hours worked during the actual holiday in addition to the lump sum holiday pay already provided for in the Article XI.

Effective July 1, 2016, a Police Service Assistant who is required to work on a holiday which he/she would normally have off, or work over the normal shift on said holiday shall be compensated in the following manner, for all hours worked the member shall receive two-and-one-half times his/her regular hourly rate.

SECTION 9. Effective upon ratification, Police Service Assistants shall receive three (3) personal leave days annually subject to all of the provisions contained in this Section.

Personal leave time shall be pro-rated at the rate of two (2) hours per month and shall be computed on the basis of not less than eighteen service days per month worked by the employee. No personal leave time will be earned in a given month if the employee does not fulfill the minimum eighteen-service day requirement. Approval of personal leave time usage by a Department Head is conditional subject to verification by payroll records.

If any employee should terminate employment with the City for any reason, personal leave time utilized by the employee shall be pro-rated and if such time used is greater than has been earned, then a dollar amount equal to the employee's hourly rate times the number of unearned hours shall be deducted from the employee's final pay.

SECTION 10. Service Assistants shall work an eight (8) hour day with a thirty (30) minute unpaid lunch. Assignments and schedules will be made by the Chief of Police or designee according to need.

SECTION 11. Service Assistants shall wear a uniform which will be prescribed by the Chief of Police. An annual uniform allowance of \$350 shall be provided by the City with \$175 to be paid on the first pay in July and \$175 to be paid on the first pay in December. Newly hired Service Assistants shall be provided an initial uniform allowance of \$100. The first payment of \$175 shall be prorated according to the number of months from appointment or the first pay in July or first pay in December, whichever comes first. Effective July 1, 1995, the annual uniform allowance shall be \$450.00.

Effective July 1, 2014, the uniform allowance shall be increased by \$125 bringing the annual taxable uniform allowance to \$575.

SECTION 11a. Beginning September 1, 2019, Service Assistants hired after July 1, 2009 shall receive an annual \$1,000 allowance for maintaining Emergency Medical Dispatch certification.

SECTION 12. The City shall provide workers disability compensation insurance as required by the Worker's Disability Compensation Act.

ARTICLE XXXVI – POLICE SERVICE ASSISTANTS

(CONTINUED)

SECTION 13. All Police Service Assistants hired before July 1, 2009 shall be members of the Michigan Municipal Employees Retirement System.

The benefit plan shall be B-2 base and F-55 rider. The cost shall be paid by the City.

Effective November 28, 2011, employee pension contribution shall be increased 2.5% on a pre-tax bases.

Full-time Police Service Assistants hired after July 1, 2009 shall be covered under a Defined Contribution (DC) pension program as defined under IRS regulations. The City shall contribute 7% of the employee’s base wage. Employees shall contribute 8% of their base wage on a tax-free basis as allowable under IRS regulations.

Employee contributions shall be available to the employee upon separation of employment for any reason; employer contributions shall be available to the employee based upon the following graded vesting schedule:

- 3 years but less than 4 years vested = 25% of employer contributions
- 4 years but less than 5 years vested = 50% of employer contributions
- 5 years but less than 6 years vested = 75% of employer contributions
- 6 years or more vested = 100% of employer contributions.

The City may also choose (at its sole discretion) to convert the Defined Contribution plan to a Hybrid Plan with a Defined Benefit (DB) portion of a 1% multiplier and a Defined Contribution portion fully funded by the employee at 2% of base pay. The DB portion shall be employer funded, with a six (6) year vesting period, FAC calculated on base wage and shift differential only, based on the last three years of employment, no early reduction of benefits and no post retirement benefit increase.

SECTION 14. The City may promulgate reasonable work rules for Service Assistants, subject to the grievance procedure specified herein with the exception of Section 2, Step 5, 2nd Paragraph.

SECTION 15. Service Assistants assigned to a patrol platoon shall be under the supervision of the officer in charge or a supervisor designated by the Chief. They shall follow the work schedule of that platoon.

Service Assistants shall not:

1. Carry firearms;
2. Drive marked patrol cars, except transporting the vehicle for service or maintenance.
3. Take reports on robbery, rape or other Part I felonies;
4. Search, other than custodial searches;
5. Guard prisoners, but may be assigned to observe or feed prisoners;
6. Be used for traffic control;
7. Advise citizens on legal matters.

SECTION 16. Upon the mutual agreement of the employee and management, the employee is permitted to work a 16-hour consecutive shift, except that the employee's approval is not required in the event of an emergency.

ARTICLE XXXVI – POLICE SERVICE ASSISTANTS

(CONTINUED)

SECTION 17. Service Assistants are specifically excluded from the provisions of the following Articles, Sections, or Paragraphs:

<u>ARTICLE</u>	<u>TITLE</u>	<u>EXCLUSION</u>
IV	Special Conferences	Total
VI	Grievance Procedure	Section 2, Step 5, 2nd Paragraph
VII	Notice of Disciplinary Action	Paragraphs 7 and 8
VIII	Promotions and Layoffs	Total
IX	Assignments	Total
X	Seniority	Total
XI	Holidays and Personal Leave Days	Section 3 Section 4
XII	Overtime	Sections 1,2,3,5,6
XIII	Call-In	Total
XV	Reserve Officers	Total
XXII	Workers' Disability Compensation	Total
XXIV	Uniform Allowance	Total
XXVI	Maintenance of Past Practices and Shift Selection ...	Total
XXVIIA	Education Incentive.....	Total
XXVIII	Lunchtime	Total
XXX	Wages	Section 2
XXXI	Joint Responsibilities	Section 2
XXXIII	Pension	Total
XXXIV	Work Schedule	Section 1 Section 2
XXXV	General	Section 1

ARTICLE XXXVII - TERM OF CONTRACT

SECTION 1. DURATION: This Agreement shall be deemed to have become effective the 1st day of July 1, 2018, and shall remain in force and effect up to and including June 30, 2021.

SECTION 2. EXTENSION: In the event that negotiations extend beyond the said expiration date of this Agreement, the terms and provisions of this Agreement shall remain in full force and effect pending agreement upon a new contract.

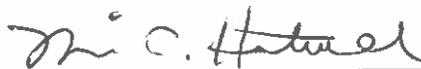
SECTION 3. In accordance with Public Act 4 of 2011 which amends the Public Employment Relations Act 336 of 1947 423.215 Section 15, the parties hereby acknowledge and agree that an emergency financial manager may be appointed under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, and the emergency financial manager is allowed to reject, modify, or terminate this Collective Bargaining Agreement as provided in the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531. The parties acknowledge that these required provisions are prohibited subjects of bargaining under this Act.

The City acknowledges that the Union retains all rights to challenge Public Act 4 of 2011.

In witness whereof, the parties hereto have hereunto set their hands and seals this 21st day of January 2020.

CITY OF MADISON HEIGHTS

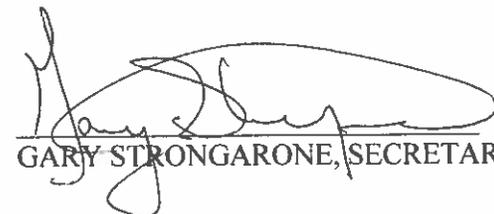
MADISON HEIGHTS POLICE
OFFICERS UNION


BRIAN C. HARTWELL, MAYOR


DAVID THAYER, PRESIDENT


MELISSA R. MARSH, CITY MANAGER


KIRK WALKER, VICE-PRESIDENT


GARY STRONGARONE, SECRETARY