

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

CITY OF STERLING HEIGHTS



AND

**STERLING HEIGHTS POLICE OFFICERS ASSOCIATION/
MICHIGAN ASSOCIATION OF POLICE**



JULY 1, 2006 – JUNE 30, 2011

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MEMORANDUM OF UNDERSTANDING
 BETWEEN
 THE CITY OF STERLING HEIGHTS
 AND
 STERLING HEIGHTS POLICE OFFICER ASSOCIATION
 MICHIGAN ASSOCIATION OF POLICE

SUBJECT: ANNUAL PENSION ALLOWANCE

It is understood and agreed between the City of Sterling Heights and Michigan Association of Police (the Union) that while the annual pension allowance of \$500 provided by Article 36, Section 10, of the current parties' Agreement dated July 1, 1988 through June 30, 1992 was eliminated upon the signing of the parties' 1993-1996 Agreement, those regular service retirees presently receiving the allowance, specifically: G. BLANCHARD, T. BURNS, B. COLLINS, C. GIRARDI, and R. GOODE, will continue to do so on the same previous terms and conditions until such time as they cease receiving a pension from the city.

No other employees or retirees except those specifically noted in this Memorandum shall receive or be eligible to receive any type of annual pension allowance.

FOR THE CITY:



 Mark D. Vanderpool
 City Manager

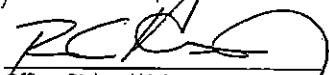


 Dawn L. Demick
 Human Resources Director

FOR THE UNION:



 Fred Timpane
 Labor Relations Specialist



 Officer Richard Heins
 President

Date: 12-19-06

MEMORANDUM OF UNDERSTANDING
 BETWEEN
 THE CITY OF STERLING HEIGHTS
 AND
 STERLING HEIGHTS POLICE OFFICERS ASSOCIATION
 MICHIGAN ASSOCIATION OF POLICE

SUBJECT: DETENTION FACILITY

It is specifically understood and agreed that the City, in its sole discretion, may cease to provide detention services entirely, may sell or lease the present or any other detention facility, may contract or subcontract for detention services, may operate the present facility with non-patrol officers, or do any combination of the above.

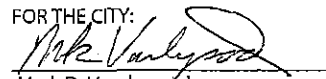
It is understood and agreed upon that should the City elect to operate the detention facility itself with non-patrol officers, all non-supervisory employees hired for such purposes will be accreted into Michigan Association of Police as a separate bargaining group, with separate wages, hours, and other conditions of employment arrived at through collective bargaining between the City and the Michigan Association of Police.

The City also agrees, if and when Patrol Officers are removed from detention duties, to do so with enough notice to allow present Patrol Officers in detention to make their shift selection at a regular bi-annual shift selection.

The City further agrees that it will not operate the present facility with other public sector police personnel (e.g., Macomb County Sheriff Department), nor shall discontinuing of the detention duties cause layoffs of Patrol Officers.

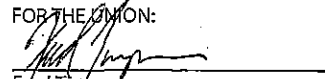
It is also specifically understood and agreed, that this Memorandum of Understanding, incorporated into the parties' July 1, 2006 to June 30, 2011 Collective Bargaining Agreement, shall have continuing force and effect until negotiated differently by the parties.

FOR THE CITY:


 Mark D. Vanderpool
 City Manager


 Dawn L. Demick
 Human Resources Director

FOR THE UNION:


 Fred Timpner
 Labor Relations Specialist


 Officer Richard Heins
 President

Date: 12-19-06

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AGREEMENT

THIS AGREEMENT made and entered into between the CITY OF STERLING HEIGHTS (Employer or City), the MICHIGAN ASSOCIATION OF POLICE (MAP) and the STERLING HEIGHTS POLICE OFFICERS ASSOCIATION (Association).

ARTICLE 1

Purpose and Intent

1.1 The general purpose of this Agreement is to set forth terms and conditions of employment and to promote orderly and peaceful labor relations for the mutual interest of the Employer and the Association.

1.2 The parties recognize that the interest of the community and the job security of the officers depend upon the Employer's success in establishing proper service to the community. To these ends, the Employer and the Association encourage, to the fullest degree, friendly and cooperative relations between the respective representatives at all levels and among all employees.

1.3 This Agreement supersedes and cancels all previous agreements, verbal or written, or based on alleged past practices between the City and the Association and constitutes the entire agreement between the parties. Any amendment or agreement supplemental hereto shall not be binding upon either party unless executed in writing by the parties hereto.

1.4 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assignees.

ARTICLE 2

Recognition

2.1 The Employer recognizes and acknowledges that the Michigan Association of Police (MAP) is the exclusive representative for the purpose of collective bargaining with the Employer in respect to rates of pay, wages, hours of employment and other conditions of employment for sworn Police Officers (Officers) under the rank of Sergeant.

LETTER OF UNDERSTANDING

BETWEEN

THE CITY OF STERLING HEIGHTS

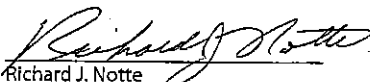
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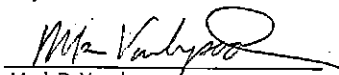
**STERLING HEIGHTS POLICE OFFICERS ASSOCIATION
MICHIGAN ASSOCIATION OF POLICE**

It is hereby understood and agreed that pursuant to Public Act No. 89 of 1989, being MCL 257.675d, the City shall be authorized to approve the issuance of handicapped parking tickets at Lakeside Mall by Lakeside Security Officers.


Before they are allowed to issue violations, the Lakeside Security Officers shall be properly trained for these purposes, as determined by the Sterling Heights Police Chief. This agreement shall be effective upon signing of the 2006-2011 collective bargaining agreement and shall expire at the conclusion of that collective bargaining agreement, unless the parties agree to extend this letter of understanding.

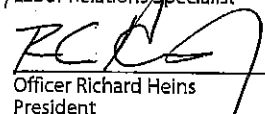
FOR THE CITY:


Richard J. Notte
Mayor


Mark D. Vanderpool
City Manager

FOR THE UNION:


Fred Timpane
Labor Relations Specialist


Officer Richard Heins
President

Date: 12-19-06

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF STERLING HEIGHTS
AND
STERLING HEIGHTS POLICE OFFICERS ASSOCIATION
MICHIGAN ASSOCIATION OF POLICE

ARTICLE 3

Representation

3.1 The City shall allow four (4) members of the Association to be released from work at full pay for purposes of negotiations, grievances or other matters with City representatives. However, this shall not cover Association related activities, including but not limited to, preparation for the above-referenced purposes and preparation for grievance or 312 Arbitration, MERC, or the Courts. No shift adjustment shall be made as a result of negotiations or other meetings with the City for Association representatives meeting on their own time without approval of the City Manager or Chief of Police.

3.2 The Association shall have the right to examine time sheets and other records pertaining to the computation of compensation of any officer whose pay is in dispute or any other records of the City pertaining to a specific grievance, at reasonable times, at the discretion of the Employer.

3.3 Authorized representatives of MAP shall be permitted to visit the operation of the Employer during working hours to talk with officers in the Association, and/or representatives of the Employer concerning matters covered by this Agreement, without interfering with the progress of the work force.

3.4 A MAP representative shall be part of the Bargaining Committee.

ARTICLE 4

Grievance Procedure

4.1 A grievance is defined as a difference, dispute or complaint between the City and the Association as to the application or interpretation of this Agreement, which includes all department rules and regulations, and it is mutually agreed that grievances shall only be allowed on items contained in this Agreement, during the life of this Agreement.

4.2 Every officer in the Association shall have the right to present grievances in accordance with the procedure herein.


4.3 While the Association represents probationary officers, the parties mutually agree that probationary officers may be dropped, discharged, fired or suspended during the probationary period without recourse to the grievance procedure.


It is hereby understood and agreed upon by both parties that only the following items contained in the July 1, 2006 through June 30, 2011 contract shall be retroactive from the date of City Council approval to July 1, 2006.

- Wages (including overtime)
- Longevity
- Clothing and Cleaning Allowance
- Deferred Compensation
- Shift Premium
- Sick Bank Accumulation


All other benefits or entitlement in the contract are effective the dates of the execution of the Agreement unless a specific date is otherwise stated for a particular benefit or entitlement.


FOR THE CITY


Richard Notte
Mayor


Mark D. Vanderpool
City Manager

FOR THE UNION


Fred Timponer
Labor Relations Specialist


Officer Richard Heins
President

Date: 12-19-06

4.4 The parties, recognizing that an orderly grievance procedure is necessary, agree that each step must be adhered to and an earnest effort shall be made to promptly resolve grievances in accordance with the procedure provided herein. Resolution at the lowest possible level of supervision is encouraged.

4.5 Grievances shall be filed in writing within ten (10) days of the event, occurrence, or reasonable knowledge of the facts giving rise to the grievance. Once filed, the time limits may be extended upon mutual agreement, in writing, by the Association and the City. For purposes of this article, all time periods shall be calendar days.

4.6 Election of Remedies. When the same remedies are available for a dispute which arises under this Agreement under the grievance procedure which are available under any administrative or statutory scheme or procedure such as, but not limited to, a veteran's preference hearing, civil rights hearing or Department of Labor hearing, and the officer elects to utilize the statutory or administrative remedy, the Association and the officer shall not process the complaint through the grievance procedure provided for in this Agreement.

Nothing herein shall be construed to eliminate the right of an officer or the Association to apply to the Courts to compel compliance with terms of this Agreement by request for injunctive or other relief. Nor shall this article be construed to bar grievances which seek relief not within the jurisdiction or not available in the above other forums.

4.7 Grievances shall be processed according to the following steps:

STEP 1 - Verbal (Immediate Supervisor). Officers who believe they have a grievance may discuss their complaint with their immediate supervisor, with or without the presence of their representative. The parties shall discuss the grievance in a friendly manner and shall make every effort to reach a satisfactory settlement at this point. Officers shall have the right to discuss the complaint with their representative before any discussion takes place with the supervisor. The supervisor shall make arrangements for the officer to be off the job for a reasonable period of time in order to discuss the complaint with their representative. The immediate supervisor shall give a verbal answer within twenty-four (24) hours.

If a DROP election revocation is made as prescribed by this Subsection, the Participant's DROP Account is not distributed and the Participant, or the Participant's beneficiary or beneficiaries as applicable, is entitled to all benefits provided by the Police and Fire Retirement System as if a DROP election had not been made. In the event of revocation of DROP Participation as provided herein, there shall be no requirement for retroactive payment of employee contributions which would otherwise have been paid by the Employee to the Retirement System and the Employee shall receive service credit for all service rendered during DROP Participation or as otherwise provided in the applicable collective bargaining agreement.

M. PROMOTION

In the event a member of the Police Officers Association is promoted to a position out of the bargaining unit, but to a position covered by the Police and Fire Retirement System, DROP Eligibility, DROP Participation and membership in the Police and Fire Retirement System shall continue under the same terms and conditions as stated herein including the Participation Period pursuant to Subsection C above.

O. INTERNAL REVENUE CODE COMPLIANCE

The DROP is intended to operate in accordance with Section 415 and other applicable laws and regulations contained within the Internal Revenue Code of the United States. Any provision of the DROP, or portion thereof, that is found by the Retirement Board to be in conflict with an applicable provision of the Internal Revenue Code of the United States is hereby declared null and void, subject to Article 43 of the collective bargaining agreement.

The DROP Account herein discussed shall be established as part of the Defined Benefit Plan of the Retirement System or such other plan as the Retirement Board and the Police Officers Association shall agree upon (i.e., I.R.C. Section 415(m) benefit plan) after consultation with appropriate legal counsel.

J. DEATH DURING DROP PARTICIPATION

Except as otherwise provided in Subsection L, if a DROP Participant dies either before full retirement (i.e., before termination of service), or during full retirement (i.e., after termination of service), but before the DROP account balance has been fully paid out, the Participant's designated beneficiary or beneficiaries shall receive the remaining balance in the Participant's DROP Account in the manner in which they elect from the previously mentioned distribution methods (Subsection I). In the event the Participant has failed to name a beneficiary, the DROP account balance shall be payable to the Participant's beneficiary of benefits from the Police and Fire Retirement System. If there is no such beneficiary, the DROP account balance shall be paid in a lump sum to the Participant's estate. Benefits payable from the Police and Fire Retirement System shall be determined as if the DROP Participant had separated from service on the day prior to his or her date of death.

K. DISABILITY DURING DROP PARTICIPATION

Except as otherwise provided in Subsection L, in the event a DROP Participant becomes totally and permanently disabled from further performance of duty as a police officer in accordance with the provisions of the Police and Fire Retirement System, the Participant's participation in the DROP shall cease and the member shall receive such benefits as if the Participant had retired and terminated employment during the Participation Period.

Application and determination of disability shall be conducted in accordance with the Police and Fire Retirement System provisions; however, the Participant shall not be eligible for disability benefits from the Police and Fire Retirement System, except as specifically provided in Subsection L.

L. SPECIAL PROVISION FOR DUTY DISABILITY AND DUTY DEATH

A DROP Participant who is found by the Retirement Board, in accordance with Retirement System provisions, to be totally and permanently incapacitated for duty by reason of a personal injury or disease occurring as the natural and proximate result of causes arising out of and in the course of the Employee's employment with the City, may retroactively revoke the Participant's DROP election if the revocation occurs before the payment of a distribution to the Employee from the Participant's DROP account or payment of disability or retirement benefits to the Employee from the Retirement System.

If a DROP Participant dies in the line of duty while in the employ of the City, the DROP Participant's eligible survivors (i.e., survivors qualified under Section 6(2) of Public Act 345 of 1937, as amended, and the Participant's applicable collective bargaining agreement) and the Participant's eligible DROP beneficiary or beneficiaries may, by unanimous agreement, retroactively revoke the Participant's DROP election if the revocation occurs within 90 days of Participant's date of death and before payment of a distribution from the Participant's DROP Account or payment of benefits from the Police and Fire Retirement System.

STEP 2 - Written (Immediate Supervisor). If the matter is not satisfactorily settled by oral discussion at Step 1, a grievance may be submitted in written form by the representative to the appropriate immediate supervisor. The supervisor shall sign, date and time stamp the grievance form RECEIVED. The written grievance shall set forth the nature of the grievance, the date of the matter complained of, the name(s) of the officer(s) involved, so far as a diligent effort will allow, and the provisions of this Agreement, if any, that the grievant claims have been violated. The immediate supervisor shall discuss the grievance with the representative and the grievant representative within five (5) days of his receipt of the grievance and render a written answer to the representative within five (5) days of such discussion. The written answer shall outline in detail the basis or reason such decision was arrived at. Any documentation, orders or rules and regulations shall be attached.

STEP 3 - Chief. If the matter is not satisfactorily settled at Step 2, the grievance may be referred to the Chief. The Chief or his designated representative shall sign, date and time stamp the grievance form RECEIVED. The Chief or his designated representative shall hold a meeting with Association Executive Board officers within seven (7) days after referral to this step to discuss the grievance. If not satisfactorily adjusted at this meeting, the Chief or his designated representative shall give his written answer within seven (7) days of the meeting.

STEP 4 - City Manager. If not satisfactorily settled at Step 3, the grievance may be referred to the City Manager. A meeting between the City Manager and/or his designated representative(s) and Association Executive Board officers shall be held within seven (7) days after referral to the City Manager to discuss the grievance. If not satisfactorily adjusted at this meeting, the City Manager or his designated representative shall give a written answer within fourteen (14) days of the meeting.

STEP 5 - Arbitration. Any unresolved grievance, having been processed through Step 4 of the grievance procedure, may be submitted to arbitration by either party (City or Association) in accordance with this Article. Arbitration shall be invoked by written notice to the other party of demand to arbitrate. The notice to arbitrate shall include names of suggested arbitrators. In the event the parties cannot agree upon an arbitrator within ten (10) days, they shall request that an impartial arbitrator to act as chairman be appointed from either of the American Arbitration Association (AAA), the Michigan Employment Relations Commission (MERC), or the Federal Mediation and Conciliation Service (FMCS) in accordance with their applicable rules and regulations.

Pre-Arbitration. Within thirty (30) days of requesting arbitration, the parties should arrange a mutual meeting to review the case. If such meeting fails to resolve the matter, the parties agree that only the items, witnesses and evidence presented at the pre-arbitration meeting shall be presented at arbitration. It is further agreed that the Association will present its case first at arbitration in cases regarding contract violations; and that in cases of discipline and rates for new positions, that the City shall present its case first.

4.8 The arbitrator shall limit his or her decision strictly to the interpretation or enforcement of this Agreement, and shall have no authority to:

- A. Require the City to purchase buildings, equipment or material.
- B. Add to, subtract from, alter or modify any of the terms of this Agreement.
- C. Grant a wage increase or decrease, except in cases of arbitration of new positions established by the City between contract periods.
- D. Substitute his discretion for the City's discretion in cases where the City has been given discretion by this Agreement.
- E. Decide any question, which under this Agreement is within the responsibility of the Employer to decide. In rendering decisions, the arbitrator shall have due regard to the responsibility of the Employer and shall so construe this Agreement that there would be no interference with such responsibilities except as it may be specifically limited by this Agreement.
- F. Grant any relief for any period of time whatsoever prior to the execution date of this Agreement. This shall not be the case, however, with regard to grievances over wages, hours or other terms of conditions of employment, which were timely filed prior to the execution date of this Agreement.
- G. Require the City to delegate, alienate or relinquish any powers, duties, responsibilities, obligations or discretion which by State law or City Charter, the City cannot delegate, alienate or relinquish.

4.9 The decision of the arbitrator in a case shall not require a retroactive wage adjustment in another case, except by express agreement of the parties.

4.10 The decision of the arbitrator shall be final and binding upon the City, the Association and the grievant officer, and there shall be no appeal of the arbitrator's decision if made in accordance within the jurisdiction and authority of this Agreement.

The payroll of DROP Participants will be included in the covered compensation upon which regular City contributions to the Police and Fire Retirement System are based. Employer contributions shall be credited to the Retirement System and not to any individual's Drop Account.

I. DISTRIBUTION OF DROP FUNDS

Upon termination of employment, the former DROP Participant must choose one, or a consistent combination, of the following distribution methods to receive payment(s) from his or her individual DROP Account:

- 1) A total lump sum distribution to the Participant/recipient;
- 2) A partial lump sum distribution to the Participant/recipient;
- 3) A lump sum direct rollover to another qualified plan to the extent allowed by federal law and in accordance with the Retirement Board's rollover procedures;
- 4) An annuity payable for the life of the Participant/recipient;
- 5) An optional form of annuity as established by Public Act 345 of 1937, as amended; or
- 6) No distribution, in which case the accumulated balance shall remain in the Plan to the extent allowed by federal law.

Lump sum or partial lump sum distributions which would exceed Internal Revenue Code Section 415 limits will not be authorized. A former Participant may change his or her distribution method as may be applicable no more than once per year prior to June 30th of each year in accordance with such procedures and time guidelines as adopted by the Retirement Board. A former Participant may elect a total lump sum distribution for any remaining balance in his or her DROP Account at any time after termination of employment which will be paid within 90 days after receiving the former Participant's request. All benefit payments under the Plan shall be made (or commence in the case of an annuity) as soon as practical after entitlement thereto, but in no event later than the April 1st following the later of:

- 1) The calendar year in which the Participant attains age 70 ½, or
- 2) The calendar year in which the Participant's employment terminated.

If the Accumulated Balance in any former Participant's account becomes less than \$5,000 (or such other amount as provided in Internal Revenue Code Section 411(a)(11)(A)), then the Retirement Board, in its sole discretion, shall have the option of distributing the former Participant's entire account, in the form of a lump sum, to the former Participant.

Any and all distributions from the Participant's DROP Account shall not be subject to offset by any workers' compensation wage loss payments received by the Participant, including any redemption amounts.

Such election shall be made commensurate with the Participant's DROP election, but not thereafter, and will be utilized to compute the actuarial reduction of the Participant's DROP Benefit, as well as his or her monthly retirement benefit from the Police and Fire Retirement System after termination of employment. If the Participant, pursuant to Subsection F, elects an Optional form of benefit upon termination of employment, the Annuity Withdrawal reduction shall be re-determined and the retiree's monthly retirement benefit adjusted. DROP Participants who do not elect the Annuity Withdrawal Option shall have their full unreduced benefit credited to their DROP Account.

The annuity withdrawal amount (accumulated contributions) shall be withdrawn from the Police and Fire Retirement System either at the time of DROP election, or at termination of employment, at the election of the DROP Participant. All withdrawal provisions and options under the Police and Fire Retirement System which are available to Members shall be available to the DROP Participant at such time as he or she elects withdrawal of his or her contributions.

At the time of the Annuity Withdrawal election, if an Employee is electing a straight life form of benefit with no qualifying spouse, the annuity withdrawal reduction computation is based in part upon the actuarial life expectancy of the Employee (rather than the life expectancies of both the Employee and a qualified spouse). There shall be no adjustment to the benefits payable to the DROP Participant upon the Participant's subsequent marriage to a qualifying spouse unless the Participant selects an Optional form of benefit at termination of Employment (Subsection E). In the event such spouse (i.e. qualified after calculation of the annuity withdrawal election) subsequently qualifies for benefits payable by the Plan, said benefits shall not be adjusted based upon the Employee's annuity withdrawal election.

G. DROP ACCOUNTS

For each individual DROP Participant, a DROP Account shall be created in which shall be accumulated at DROP Interest the Participant's DROP Benefits. All DROP Accounts shall be maintained for the benefit of each DROP Participant and will be managed by the Retirement Board in the same manner as the primary pension fund. DROP Interest for each DROP Participant shall be at a fixed rate of 4.0% per annum with interest credited on the first day of each month on the prior month's principal and interest balance.

The Retirement Board shall provide each DROP Participant with an annual statement of his or her account activity. The reference to individual DROP Accounts shall be interpreted to refer to the accounting records of the Police and Fire Retirement System and not to the actual segregation of moneys in the funds of the Police and Fire Retirement System.

H. CONTRIBUTIONS

The Employee's contributions to the Police and Fire Retirement System shall cease as of the Participant's DROP Date for each Employee entering the DROP.

4.11 The right of either party to demand arbitration over an unadjusted grievance is limited to a period of thirty (30) days from the final action taken on such grievance under Step 4 of the grievance procedure, and any grievance not submitted within such period, shall be deemed dropped.

4.12 In the event a case is arbitrated and the arbitrator finds there is no power to rule on such a case, the matter shall be referred back to the parties without decision or recommendation on the merits of the case.

4.13 The expenses of the arbitrator shall be borne by the losing party. If the arbitrator is unable to determine the losing party, then the expenses of the arbitrator shall be shared equally by the City and the Association.

4.14 The City and the Association shall individually make arrangements for, and pay the expense of their respective witnesses.

4.15 The grievant, Association representatives and any other City of Sterling Heights employee witnesses testifying before such proceedings shall not lose pay for the time off the job during arbitration proceedings.

4.16 All records, reports, and other information pertaining to a grievance proceeding, shall be made available within ten (10) days from written request. Requests for information from the City shall be directed to the City Manager.

4.17 Grievances affecting more than one (1) officer may be treated as group grievances and entered at Step 3 of the grievance procedure by the Association.

4.18 In instances where the subject matter of the grievance lies within the jurisdiction of specific City agencies, e.g., Payroll, etc., the grievance steps may be reduced in order to bring the grievance to the agency's immediate attention for a recommendation as to the action to be taken at Step 3.

4.19 Any unanswered or unresolved grievance automatically progresses to the next step and the City Manager is to be notified by the Association.

4.20 All settlements or agreements between the Association/MAP and the City shall be in writing signed by the Association/MAP and the City.

ARTICLE 5

Agency Shop

5.1 Membership in the Association is not compulsory. Officers have the right to join, not join, maintain, or drop their membership in the Association, as they see fit. Neither party shall exert any pressure on or discriminate against an officer with regard to such matters.

5.2 To the extent that the laws of the State of Michigan permit, it is agreed that all officers, including probationary officers, covered by this Agreement, shall be required as a condition of employment to either become a member of the Association or pay a service fee to the Association, which shall be equivalent to the Association monthly membership dues, for the duration of this Agreement.

ARTICLE 6

Dues and Deduction

6.1 The Employer shall deduct from the wages of each officer Association dues/service fees in the amount as prescribed by the Association. As per MCL 408.477, these deductions shall be made by the Employer automatically for those already in the Association and each time an officer is placed in the Association or returns from a leave of absence. This will be done according to the above law without the need of authorizations by the individual officer as long as the officer is receiving a paycheck from the City.

6.2 The Employer will deduct Association dues/service fees from the first and second pay periods in the calendar month. If an officer has no pay coming for such pay periods or if such pay period is the first pay of a probationary officer, such deduction shall be withheld from the immediately subsequent pay period.

6.3 The Employer will withhold from the pay of officers in any month, only the deduction incurred while officers have been employed with the City.

6.4 In the event that a refund is due an officer for sums deducted from wages and paid to the Association, it shall be the responsibility of the officer to obtain the appropriate refund from the Association.

6.5 All sums deducted by the Employer shall be remitted to the Treasurer of the Sterling Heights Police Officers Association.

The calculation of the Employee's "Average Final Compensation" ("AFC") shall be based upon the contract provisions in effect on the Employee's DROP Date and to the extent applicable, shall include all monies which, if the Employee had terminated employment on their DROP Date, would have otherwise been included in calculating the Employee's AFC. The City's payment of "separation buyout monies" which have been included in AFC as provided herein and by Article 35.4 of this Agreement shall occur within 60 days of the Employee's effective DROP Date (i.e., retirement date). All vacation, sick, compensatory or personal time accruing after a Participant's effective DROP Date shall accrue and be governed by the provisions of this Agreement except that any unused vacation time at the time of termination of employment will not be paid to any DROP Participant (i.e., must be used or is lost). It is expressly understood that the actual amount of "separation buyout monies" included in AFC and paid to the Employee at time of DROP election may be different in amount than the "separation buyout monies," if any, paid to the DROP Participant at actual termination of employment.

The Participant's DROP Benefit shall be credited monthly to the Participant's individual DROP Account. A DROP Participant may either prior to his or her DROP date, or at the time of their termination of employment elect to receive his or her benefit in the form of the Police and Fire Retirement System's Option I or Option II benefit and nominate a named beneficiary in accordance with the Police and Fire Retirement System provisions. A Participant's DROP Benefit that is credited monthly in to the Participant's DROP Account shall not change during the Participant's DROP Participation. A Participant desiring to change his or her form of benefit at termination of employment, must make such election prior to termination and will receive the actuarially computed revised benefit commencing on the Employee's effective date of termination.

The term "spouse" for purposes of survivorship benefit qualification of DROP Participants, shall mean: (1) the person to whom the Participant was legally married on the Participant's date of death if such death occurs during DROP Participation; or (2) the person to whom the retiree was legally married on both the effective date of termination of employment and the retiree's date of death in the event such death occurs after termination of employment. The definition of "spouse" herein may be amended pursuant to an Eligible Domestic Relations Order entered pursuant to Michigan Public Act 46 of 1991, as amended (MCL §38.1701 et seq.).

F. ANNUITY WITHDRAWAL

An Employee who elects to participate in the DROP (and correspondingly, ceases to accrue additional retirement benefits otherwise credited to active members of the Police and Fire Retirement System) may elect the Annuity Withdrawal Option provided by the Police and Fire Retirement System at the time of electing DROP participation.

Upon termination of employment, the retiree shall commence receipt of the monthly retirement benefit previously credited to their DROP Account, unless an Optional form of benefit is elected pursuant to Subsection E. Failure to terminate employment at the expiration of the DROP Participation Period shall result in the forfeiture of the Participant's monthly pension benefit otherwise payable to his or her DROP Account until termination of employment. The foregoing statement shall not be interpreted as allowing the DROP Participant the option of continuing employment after the expiration of his or her DROP period. Interest on the DROP Account however, will continue to accrue during such a forfeiture period, pursuant to Subsection G.

D. ELECTION TO PARTICIPATE

Once commenced, DROP Participation is IRREVOCABLE (except as specifically provided in Subsection M herein). An Employee who wishes to participate in the DROP, shall complete and sign such application form or forms as shall be required by the Retirement Board no less than 30 days, but no more than 90 days prior to their intended DROP Date. The Retirement Board shall review the application within a reasonable time period and make a determination as to the Employee's eligibility for participation in the DROP. On the Employee's effective DROP Date, he or she shall become a DROP Participant, and shall cease to accrue additional retirement benefits otherwise credited to active members of the Police and Fire Retirement System. The amount of credited service, multiplier and average final compensation shall be fixed as of the Participant's DROP Date. Increases in compensation and accrual of additional service during DROP Participation will NOT be factored into the pension benefits of active or former DROP Participants (except as specifically provided in Subsection L). A Participant's DROP Date only applies to the Employee's retirement benefit provisions as provided herein and not to any other contractual benefits or retiree medical benefits in effect or accruing after a Participant's DROP Date.

Except with regard to the retirement benefits expressly provided herein, DROP Participants will continue with full employment status with all rights and privileges afforded to employees of the Police Department and this bargaining unit, including, but not limited to, future promotions, benefit/wage increases, union membership and representation, as well as, retirement system membership and Board representation.

E. DROP BENEFIT

The Participant's DROP Benefit shall be the regular monthly retirement benefit to which the Employee would have been entitled if the Employee had actually terminated employment and retired on the DROP Date (less the annuity withdrawal reduction as set forth in Subsection F and/or actuarial reductions as a result of the Employee electing an Optional form of benefit under the Plan, if applicable).

6.6 In the event the Association requests that the Employer deduct monies in excess of the amounts deducted as of the date of execution of this Agreement, such request shall be effective only upon written assurance by the Association that the additional amounts have been authorized pursuant to and under the Association's By-Laws.

6.7 The Employer shall not be liable for any remittance or payment of any sums other than those constituting actual deductions made, and, if for any reason it fails to make the deduction, the Employer shall deduct the appropriate amount from the officer's next pay in which such deduction is normally deducted after the error has been called to its attention by the officer or the Association.

6.8 Indemnification. The Association shall indemnify and hold harmless the Employer against any and all liability, which may arise by reasons of the deduction by the Employer of money as Association dues/service fees deducted from an officer's wages.

ARTICLE 7

Association Rights

7.1 Officers of the Association shall not be required to do work for another Employer.

7.2 The Employer agrees that it will not replace officers in the Association or require other persons, other than officers in the Association, to perform work which is recognized as the work of officers in the Association, except in temporary situations, training or cases of emergencies.

7.3 The Employer agrees not to enter into any agreement with another labor organization during the life of this Agreement with respect to the officers covered by this Agreement (except as set forth in the Letter of Understanding regarding Detention) or contract with officers in the Association, individually or collectively, which in any way affect wages, hours or working conditions of officers covered by this Agreement. This is not to be construed to include the normal personnel actions as made by the Civil Service Commission such as recruitment, promotion or classification due to changes in organizational functions.

7.4 Bulletin Boards. The Employer shall provide a bulletin board in the Police Department for use by the Association. All notices shall be signed by a representative.

7.5 Officers, (including discharged officers), may see their personnel file and may also receive copies of anything describing their employment record—favorable and/or unfavorable.

7.6 A photo copy of the above information may be obtained. The Employer may charge after one (1) free copy of the file has been furnished.

ARTICLE 8

Discipline

- 8.1 The Employer shall not discipline officers without just cause.
- 8.2 The parties agree that officers shall have the rights guaranteed under the Weingarten Decision.
- 8.3 The Employer agrees that before officers can be disciplined by other than verbal reprimand:
- A. Written charges must be served upon the officer to be disciplined within ninety (90) calendar days of the infraction or within ninety (90) calendar days of when the Employer had knowledge of the infraction.
 - B. The Association must be served with the written charges within ninety-five (95) calendar days of the infraction or when the Employer had knowledge of the infraction.
 - C. The Association will be notified of any discipline given other than verbal reprimands.
- 8.4 Officers will have four (4) calendar days to respond in writing to written questions from supervision regarding any incident that the officer feels could result in disciplinary action. This is not to be interpreted to apply to the General Incident Report (G.I.R.) or supplements to the G.I.R. that officers are required to submit.
- 8.5 Seniority officers aggrieved by disciplinary action may seek relief through the grievance procedure as outlined in Article 4 of this Agreement by going immediately to Step 3 (Chief).
- 8.6 If an officer or the Association grieves the discipline, the Chief shall release to the Association any and all write-ups, statements, investigations and reports relating to this specific discipline. The above information shall be given to the Association before or at the very latest at the time of the grievance meeting at Step 3 (Chief).

APPENDIX D

DEFERRED RETIREMENT OPTION PLAN (DROP)

A. OVERVIEW

Effective January 1, 2007, any Employee who is a member of the City of Sterling Heights Police Officers Association (hereinafter the "Police Officers Association") may at any time voluntarily elect to participate in the Sterling Heights Police and Fire Retirement System Deferred Retirement Option Plan (hereinafter "DROP") after attaining 20 years of service credit regardless of age. In addition, Employees otherwise qualifying for DROP Participation shall have a sixty (60) day window period commencing January 1, 2007 through and including March 1, 2007, during which eligible employees (those on active payroll as of January 1, 2007) may file a retroactive DROP election with the Retirement Board with an effective DROP date commencing July 1, 2006 or later at the Employee's election. Upon commencement of DROP participation, the Participant's DROP Benefit shall be the dollar amount of his or her monthly pension benefit computed by using the contractual guidelines and formula(s) that are in effect on the DROP Date. During DROP participation, the Participant continues with full employment status and receives all future promotions and benefit/wage increases, and is considered an employee of the City, not a retiree. The Participant's DROP Benefit shall be credited monthly to the Participant's DROP Account which shall be established within the Defined Benefit Plan of the City of Sterling Heights Police and Fire Retirement System (the "Police and Fire Retirement System"). The Participant's DROP Account shall be maintained and managed by the Board of Trustees of the Police and Fire Retirement System (the "Retirement Board"). Upon termination of employment, the retiree shall begin to receive payment or payments from his or her individual DROP Account as described herein. The DROP payment or payments are in addition to all other contractual pension benefits. The Participant is solely responsible for analyzing the tax consequences of participation in the DROP.

B. ELIGIBILITY

Effective January 1, 2007, any member of the Police Officers Association may voluntarily elect to participate in the DROP at any time after attaining 20 years of service credit regardless of age. The member's election to participate in the DROP shall not operate to change or in anyway modify the Retirement System's minimum requirement for a normal service retirement or pension.

C. PARTICIPATION PERIOD

The maximum period for participation in the DROP is five (5) years (the "Participation Period"). There is no minimum time period for participation. An Employee must cease employment with the City of Sterling Heights Police Department within five (5) years from the date of entering the DROP. The election to participate in the DROP is voluntary; however, an employee's application and election to participate in the DROP shall constitute an irrevocable election to terminate employment and retire no later than five (5) years after his or her effective DROP date.

	In-Network	Out-of-Network
Surgical Services		
Surgery – includes related surgical services	Covered – 80% after deductible	Covered – 60% after deductible
Voluntary Sterilization	Covered – 80% after deductible	Covered – 60% after deductible
Human Organ Transplants		
Specified Organ Transplants – in designated facilities only, when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	Covered – 100%	Covered – in designated facilities only
	Up to \$1 million lifetime maximum per transplant type	
Bone Marrow – when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504); specific criteria applies	Covered – 80% after deductible	Covered – 60% after deductible
Kidney, Cornea and Skin	Covered – 80% after deductible	Covered – 60% after deductible
Mental Health Care and Substance Abuse Treatment		
Inpatient Mental Health Care	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days	
Inpatient Substance Abuse Treatment	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum	
Outpatient Mental Health Care	Covered – 50% after deductible	Covered – 50% after deductible
• Facility and Clinic	Covered – 50%	Covered – 50% after deductible
• Physician's Office	Covered – 50% after deductible	Covered – 50% after deductible
Outpatient Substance Abuse Treatment – in approved facilities	Covered – 50% after deductible	Covered – 50% after deductible
	Up to the state-dollar amount which is adjusted annually	
Other Services		
Outpatient Diabetes Management Program (ODMP)	Covered – 80% after deductible	Covered – 60% after deductible
Allergy Testing and Therapy	Covered – 100%	Covered – 60% after deductible
Chiropractic Spinal Manipulation	Covered – 100%	Covered – 60% after deductible
	Up to 24 visits per calendar year	
Outpatient Physical, Speech and Occupational Therapy	Covered – 80% after deductible	Covered – 80% after deductible
• Facility and Clinic	Covered – 100%	Covered – 60% after deductible
• Physician's Office – excludes speech and occupational therapy	A combined 60-visit maximum per calendar year for physical therapy in the outpatient department of a hospital as well as in the physician's office	
Durable Medical Equipment	Covered – 80% after deductible	Covered – 80% after deductible
Prosthetic and Orthotic Appliances	Covered – 80% after deductible	Covered – 80% after deductible
Private Duty Nursing	Covered – 50% after deductible	Covered – 50% after deductible
Deductible, Copays and Dollar Maximums		
Note: If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.		
Deductible	\$250 per member, \$500 family per calendar year Note: Deductible waived if service is performed in a PPO physician's office.	\$500 per member, \$1,000 family per calendar year Note: Out-of-network deductible amounts also apply toward the in-network deductible.
Copays	\$30 for office visits and \$50 for emergency room visits	\$50 for emergency room visits
• Fixed Dollar Copays		
• Percent Copays	20% for general services, waived if service is performed in a PPO physician's office, and 50% for mental health care, substance abuse treatment and private duty nursing	40% for general services and 50% for mental health care, substance abuse treatment and private duty nursing Note: Services without a network are covered at the in-network level.
Copay Dollar Maximums	None	None
• Fixed Dollar Copays		
• Percent Copays – excludes mental health care, substance abuse treatment and private duty nursing copays	\$500 per member, \$1,000 family per calendar year	\$4,000 per member, \$8,000 family per calendar year Note: Out-of-network copays also apply toward the in-network maximum.
Dollar Maximums	\$1 million lifetime per covered specified organ transplant type and a separate \$5 million lifetime per member for all other covered services and as noted above for individual services	

8.7 **Removal of Discipline.** Documentation of discipline shall be removed from all Employer files from date of infraction:

- A. Two (2) years for incidents or infractions not involving loss of time or wages.
- B. Three (3) years for incidents or infractions involving loss of time or wages equaling three (3) days or less.
- C. Five (5) years for incidents or infractions involving a loss of time or wages greater than three (3) days.

ARTICLE 9

Probation

9.1 **Probationary Officers.** All probationary officers shall serve a minimum one (1) year probationary period from their date of hire. The City will conduct a performance evaluation of all probationary officers after six (6) months of employment.

9.2 After a probationary officer successfully completes the probationary period, the officer shall be placed upon the seniority list gaining seniority from date of hire as a Police Officer.

9.3 **Promotion to Sergeant.** No promotion to Sergeant shall be deemed permanent until after the successful completion of the one (1) year probationary period. At any time during the probationary period, probationary sergeants may be returned to their previous rank for cause in a similar manner as provided for in Act 78. If at the close of the probationary term, the conduct or capacity of the probationary sergeant has not been satisfactory to the Employer, the probationary sergeant shall be notified within ten (10) days in writing that they will not receive permanent appointment. There shall be no loss in seniority as a result of such action.

ARTICLE 10

Seniority

10.1 Seniority is the giving of a privileged status to officers who have attained continuous service with the Department. A "seniority officer" is defined as an officer who has successfully completed the probationary period.

10.2 Seniority rights shall not apply to probationary officers.

10.3 The Employer shall post a seniority list every six (6) months.

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Community BlueSM PPO Benefits-at-a-Glance for City of Sterling Heights Plan 10 New Hires

This is intended as an easy-to-read summary. It is not a contract. Additional limitations and exclusions may apply to covered services. For an official description of benefits, please see the applicable Blue Cross Blue Shield of Michigan certificate and riders. Payment amounts are based on the Blue Cross Blue Shield of Michigan approved amount, less any applicable deductible and/or copay amounts required by the plan. This coverage is provided pursuant to a contract entered into in the state of Michigan and shall be construed under the jurisdiction and according to the laws of the state of Michigan.

	In-Network	Out-of-Network
Preventive Care Services – *Payment for preventive services is limited to a combined maximum of \$500 per member per calendar year		
Health Maintenance Exam – includes chest X-ray, EKG and select lab procedures	Covered – 100%, one per calendar year	Not covered
Gynecological Exam	Covered – 100%, one per calendar year	Not covered
Pap Smear Screening – laboratory and pathology services	Covered – 100%, one per calendar year	Not covered
Well-Baby and Child Care	Covered – 100%* • 6 visits, birth through 12 months • 6 visits, 13 months through 23 months • 2 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • 1 visit per birth year, 48 months through age 15	Not covered
Immunizations	Covered – 100%, up through age 16	Not covered
Fecal Occult Blood Screening	Covered – 100%, one per calendar year	Not covered
Flexible Sigmoidoscopy Exam	Covered – 100%, one per calendar year	Not covered
Prostate Specific Antigen (PSA) Screening	Covered – 100%, one per calendar year	Not covered
Mammography		
Mammography Screening	Covered – 80% after deductible	Covered – 60% after deductible
	One per calendar year, no age restrictions	
Physician Office Services		
Office Visits	Covered – \$30 copay	Covered – 60% after deductible, must be medically necessary
Outpatient and Home Visits	Covered – 80% after deductible	Covered – 60% after deductible, must be medically necessary
Office Consultations	Covered – \$30 copay	Covered – 60% after deductible, must be medically necessary
Urgent Care Visits	Covered – \$30 copay	Covered – 60% after deductible, must be medically necessary
Emergency Medical Care		
Hospital Emergency Room	Covered – \$50 copay, waived if admitted or for an accidental injury	Covered – \$50 copay, waived if admitted or for an accidental injury
Ambulance Services – medically necessary	Covered – 80% after deductible	Covered – 80% after deductible
Diagnostic Services		
Laboratory and Pathology Services	Covered – 80% after deductible	Covered – 60% after deductible
Diagnostic Tests and X-rays	Covered – 80% after deductible	Covered – 60% after deductible
Therapeutic Radiology	Covered – 80% after deductible	Covered – 60% after deductible
Maternity Services Provided by a Physician		
Prenatal and Postnatal Care	Covered – 100%	Covered – 60% after deductible
	Includes care provided by a certified nurse midwife	
Delivery and Nursery Care	Covered – 80% after deductible	Covered – 60% after deductible
	Includes delivery provided by a certified nurse midwife	
Hospital Care		
Semiprivate Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies Note: Non-emergency services must be rendered in a participating hospital	Covered – 80% after deductible	Covered – 60% after deductible
	Unlimited days	
Inpatient Consultations	Covered – 80% after deductible	Covered – 60% after deductible
Chemotherapy	Covered – 80% after deductible	Covered – 60% after deductible
Alternatives to Hospital Care		
Skilled Nursing Care	Covered – 80% after deductible	Covered – 80% after deductible
	Up to 120 days per calendar year	
Hospice Care	Covered – 100%	Covered – 100%
	Limited to dollar maximum which is adjusted periodically	
Home Health Care	Covered – 80% after deductible	Covered – 80% after deductible
	Unlimited visits	

10.4 Loss of Seniority. Officers shall lose seniority only for the following reasons:

- Discharge.
- Voluntary Quit.
- Layoff for a period of over two (2) years.
- Absent for three (3) or more consecutive working days without notifying the Employer.
- After being recalled from layoff and not reporting within seven (7) days.
- At sole discretion of the Employer, items "D" and "E" above may be waived.

10.5 The criteria to determine seniority shall be based on date of hire. When conflicts arise as to identical dates of hire, the officer's placement on the Civil Service eligibility list shall be the criteria used to determine seniority. Seniority rights shall conform to contract language and shall also include the following:

- Officers shall continue to accrue seniority while on duty disability and/or duty disability pension.
- Officers on non-duty disability shall accrue seniority up to two (2) years while on non-duty disability leave.
- Officers returning to work from layoff, duty disability leave and/or duty disability pension, and non-duty disability shall not be on probation.

10.6 Seniority preference shall apply as indicated in the selection of:

- Shift Assignment.
- Scheduled Leave Days (SLD's).
- Vacation Time (VAC).
- Compensatory Time (CMT).
- Personal Leave Time (PT).
- Assignment of Overtime. Equalized overtime prevails except under emergency conditions.

	In-Network	Out-of-Network
Surgical Services		
Surgery – includes related surgical services	Covered – 90% after deductible	Covered – 60% after deductible
Voluntary Sterilization	Covered – 90% after deductible	Covered – 60% after deductible
Human Organ Transplants		
Specified Organ Transplants – in designated facilities only, when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	Covered – 100%	Covered – in designated facilities only
	Up to \$1 million lifetime maximum per transplant type	
Bone Marrow – when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504); specific criteria applies	Covered – 90% after deductible	Covered – 60% after deductible
Kidney, Cornea and Skin	Covered – 90% after deductible	Covered – 60% after deductible
Mental Health Care and Substance Abuse Treatment		
Inpatient Mental Health Care	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days	
Inpatient Substance Abuse Treatment	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum	
Outpatient Mental Health Care		
• Facility and Clinic	Covered – 50% after deductible	Covered – 50% after deductible
• Physician's Office	Covered – 50%	Covered – 50% after deductible
Outpatient Substance Abuse Treatment – in approved facilities	Covered – 50% after deductible	Covered – 50% after deductible
	Up to the state-dollar amount which is adjusted annually	
Other Services		
Outpatient Diabetes Management Program (ODMP)	Covered – 90% after deductible	Covered – 60% after deductible
Allergy Testing and Therapy	Covered – 100%	Covered – 60% after deductible
Chiropractic Spinal Manipulation	Covered – 100%	Covered – 60% after deductible
	Up to 24 visits per calendar year	
Outpatient Physical, Speech and Occupational Therapy		
• Facility and Clinic	Covered – 90% after deductible	Covered – 90% after deductible
• Physician's Office – excludes speech and occupational therapy	Covered – 100%	Covered – 60% after deductible
	A combined 60-visit maximum per calendar year for physical therapy in the outpatient department of a hospital as well as in the physician's office	
Durable Medical Equipment	Covered – 90% after deductible	Covered – 90% after deductible
Prosthetic and Orthotic Appliances	Covered – 90% after deductible	Covered – 90% after deductible
Private Duty Nursing	Covered – 50% after deductible	Covered – 50% after deductible
Prescription Drugs	Not covered	Not covered

Deductible, Copays and Dollar Maximums		
Note: If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.		
Deductible	\$250 per member, \$500 family per calendar year Note: Deductible waived if service is performed in a PPO physician's office.	\$500 per member, \$1,000 family per calendar year Note: Out-of-network deductible amounts also apply toward the in-network deductible.
Copays		
• Fixed Dollar Copays	\$10 for office visits and \$50 for emergency room visits	\$50 for emergency room visits
• Percent Copays	10% for general services, waived if service is performed in a PPO physician's office, and 50% for mental health care, substance abuse treatment and private duty nursing	40% for general services and 50% for mental health care, substance abuse treatment and private duty nursing Note: Services without a network are covered at the in-network level.
Copay Dollar Maximums		
• Fixed Dollar Copays	None	None
• Percent Copays – excludes mental health care, substance abuse treatment and private duty nursing copays	\$500 per member, \$1,000 family per calendar year	\$4,000 per member, \$8,000 family per calendar year Note: Out-of-network copays also apply toward the in-network maximum.
Dollar Maximums	\$1 million lifetime per covered specified organ transplant type and a separate \$5 million lifetime per member for all other covered services and as noted above for individual services	

10.7 Criteria by Seniority Preferences.

A. Shift Selection.

- All personnel assignments shall be made by the Employer.
- Officers shall be allowed to indicate their preference, by seniority, the shift on which they prefer to work, and their SLD's, once manpower allocations have been set by the Employer. No overtime will be paid to an officer for participating in the shift selection process. If necessary, the Police Chief may request that the Union Executive Board assist in contacting Union members for shift selection purposes.
- The selections shall begin each March 1st and September 1st, and end the last day of March and September.

Upon completion of the shift selection process, there shall be a posting of new shift rosters.

The effective date of transfer will always be the first day of the second pay period of each April and October.
- Once a selection preference is granted, officers will remain on that shift until transferred or until the next shift selection period.

B. Exchange of SLD's. Upon written notification of any on-duty shift commander, officers may exchange SLD's within the same pay period as long as this does not cause overtime.

C. Vacations.

- At the beginning of the six (6) month shift period, a vacation list will be supplied to all officers of that shift. This list will be maintained by the Shift Commander.
- Officers will have the option of selecting their vacation in blocks of not less than one (1) week. This selection will be accomplished within ten (10) working days of the start of the second pay period of each April and October. Once vacation blocks are selected, officers must take their time off unless an emergency arises. Any vacation changes are subject to the approval of the Shift Commander.

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3. The shift vacation list has priority over single vacation days. Each shift's vacation list shall be posted.
4. In case of transfers within the six (6) month period, officers transferred will be entitled to vacation time as originally approved and scheduled except in cases of extenuating circumstances.
5. On single vacation days, requests must be submitted at least two (2) weeks prior to the requested date in order to exert seniority rights. The Shift Commander may waive the two (2) week rule at his discretion.

D. Leave Time.

1. Vacation time, compensatory time and personal leave time must be approved in advance by the Shift Commander.
2. Under no circumstances will leave time be approved if officers have insufficient time in their accounts.
3. Should manpower needs drop below the shift's normal staffing requirements to serve the public or provide mutual protection to the officers, leave time may be canceled or denied at the discretion of the Shift Commander.
4. Leave time may be taken in one (1) hour increments.

10.8 When an officer is transferred:

- A. Job openings will be posted for ten (10) days, from each February 18th and August 22nd. Officers being transferred from their present assignments shall be notified, in writing, by the Division Commander by each February 18th and August 22nd.
- B. Department-Initiated Transfer. Seniority shall be honored with respect to the above and following sections. Transferred officers have the right to bump.
- C. Self-Initiated Transfer. When an officer requests an immediate transfer, the officer making the request will accept the shift and SLD's of the officer replaced. Once a selection is granted, the officer shall remain with the shift and SLD's for the duration of the selected shift period. Any changes must be approved by the Division Commander prior to the change.

Community BlueSM PPO

Benefits-at-a-Glance

Plan 10

This is intended as an easy-to-read summary. It is not a contract. Additional limitations and exclusions may apply to covered services. For an official description of benefits, please see the applicable Blue Cross Blue Shield of Michigan certificate and riders. Payment amounts are based on the Blue Cross Blue Shield of Michigan approved amount, less any applicable deductible and/or copay amounts required by the plan. This coverage is provided pursuant to a contract entered into in the state of Michigan and shall be construed under the jurisdiction and according to the laws of the state of Michigan.

	In-Network	Out-of-Network
Preventive Care Services – *Payment for preventive services is limited to a combined maximum of \$500 per member per calendar year		
Health Maintenance Exam – includes chest X-ray, EKG and select lab procedures	Covered – 100%*, one per calendar year	Not covered
Gynecological Exam	Covered – 100%*, one per calendar year	Not covered
Pap Smear Screening – laboratory and pathology services	Covered – 100%*, one per calendar year	Not covered
Well-Baby and Child Care	Covered – 100%* • 6 visits, birth through 12 months • 6 visits, 13 months through 23 months • 2 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • 1 visit per birth year, 48 months through age 15	Not covered
Immunizations	Covered – 100%*, up through age 16	Not covered
Fecal Occult Blood Screening	Covered – 100%*, one per calendar year	Not covered
Flexible Sigmoidoscopy Exam	Covered – 100%*, one per calendar year	Not covered
Prostate Specific Antigen (PSA) Screening	Covered – 100%*, one per calendar year	Not covered
Mammography		
Mammography Screening	Covered – 90% after deductible	Covered – 60% after deductible
	One per calendar year, no age restrictions	
Physician Office Services*		
Office Visits	Covered – \$10 copay	Covered – 60% after deductible, must be medically necessary
Outpatient and Home Visits	Covered – 90% after deductible	Covered – 60% after deductible, must be medically necessary
Office Consultations	Covered – \$10 copay	Covered – 60% after deductible, must be medically necessary
Urgent Care Visits	Covered – \$10 copay	Covered – 60% after deductible, must be medically necessary
Emergency Medical Care		
Hospital Emergency Room	Covered – \$50 copay, waived if admitted or for an accidental injury	Covered – \$50 copay, waived if admitted or for an accidental injury
Ambulance Services – medically necessary	Covered – 90% after deductible	Covered – 90% after deductible
Diagnostic Services		
Laboratory and Pathology Services	Covered – 90% after deductible	Covered – 60% after deductible
Diagnostic Tests and X-rays	Covered – 90% after deductible	Covered – 60% after deductible
Therapeutic Radiology	Covered – 90% after deductible	Covered – 60% after deductible
Maternity Services Provided by a Physician		
Prenatal and Postnatal Care	Covered – 100% Includes care provided by a certified nurse midwife	Covered – 60% after deductible
Delivery and Nursery Care	Covered – 90% after deductible Includes delivery provided by a certified nurse midwife	Covered – 60% after deductible
Hospital Care		
Semiprivate Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies Note: Nonemergency services must be rendered in a participating hospital	Covered – 90% after deductible	Covered – 60% after deductible Unlimited days
Inpatient Consultations	Covered – 90% after deductible	Covered – 60% after deductible
Chemotherapy	Covered – 90% after deductible	Covered – 60% after deductible
Alternatives to Hospital Care		
Skilled Nursing Care	Covered – 90% after deductible	Covered – 90% after deductible Up to 120 days per calendar year
Hospice Care	Covered – 100% Limited to dollar maximum which is adjusted periodically	Covered – 100%
Home Health Care	Covered – 90% after deductible	Covered – 90% after deductible Unlimited visits

Appendix A
Effective July 1, 2010
3%

MAP PATROL

POSITION	Start	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	48 Months	54 Months	60 Months
PATROL OFFICER											
ANNUAL	47,979	50,019	52,064	54,104	56,149	58,183	60,234	64,317	71,121	73,690	74,426
htly	23,067	24,048	25,031	26,012	26,995	27,973	28,959	30,922	34,193	35,428	35,782
bt-wk	1845.36	1923.84	2002.48	2080.96	2159.60	2237.84	2316.72	2473.76	2735.44	2834.24	2862.56
PATROL OFFICER ASSOC.											
ANNUAL	48,279	50,319	52,364	54,404	56,449	58,483	60,534	64,617	71,421	73,990	74,726
htly	23,211	24,192	25,175	26,156	27,139	28,117	29,103	31,066	34,337	35,572	35,926
bt-wk	1856.88	1935.36	2014.00	2092.48	2171.12	2249.36	2328.24	2485.28	2746.96	2845.76	2874.08
PATROL OFFICER BACHEL											
ANNUAL	48,479	50,519	52,564	54,604	56,649	58,683	60,734	64,817	71,621	74,190	74,926
htly	23,307	24,288	25,271	26,252	27,235	28,213	29,199	31,162	34,433	35,668	36,022
bt-wk	1864.56	1943.04	2021.68	2100.16	2178.80	2257.04	2335.92	2492.96	2754.64	2853.44	2881.76

- D. Transfers at any time for hardship or personal reasons may be requested and may be granted by the Chief of Police.
 - 1. Officers being granted an immediate transfer shall accept the shift and SLD's of the officer replaced.
 - 2. If the immediate transfer does not cause an officer to be replaced, the requesting officer shall have SLD's on the new shift according to seniority.
- E. Transfers that are necessitated by budget restrictions, creation of new bureaus, promotions, terminations or retirements may be made at any time to insure the smooth operation of the Employer, provided the job opening is posted for ten (10) days prior to the transfer.
- F. Temporary transfers shall not be made for a period over sixty (60) days.
- G. New officers must serve a minimum of three years (including the probationary period) as a road patrol officer with the Sterling Heights Police Department before requesting or receiving a transfer to a specialty assignment other than DARE.

10.9 **Setting of SLD's.** Prior to shift selection, the Division Commander will set up an SLD chart. The chart will show two (2) full pay periods and illustrate the allowed SLD's. Each position shall have SLD's shown in the form of an "X" on the chart to indicate the days off.

ARTICLE 11

No Strike - No Lockout

11.1 The Association agrees that all officers and agents shall be prohibited from engaging or encouraging others to engage in any strike, work stoppage, deliberate slow-down or interference of any operation of the City during the terms of this Agreement.

11.2 The Association agrees it will take prompt, affirmative action to prevent or stop unauthorized strikes, work stoppages, slow-downs of work, or work interference of any kind by notifying officers that it disavows these acts. The Association further agrees that the City shall have the right to discipline, (including discharge), officers who violate this Article.

11.3 The City agrees that it will not lock out any officer during the term of this Agreement. If any officer is unable to work because equipment or facilities are not available to them, such inability to work shall not be deemed a lockout under the provisions of this Section, and the officer will suffer no loss of wages or benefits unless formally laid off because of such inability to work. This lockout provisions shall not apply in the event of a strike.

ARTICLE 12

Layoff and Recall

12.1 Layoffs. In case of layoff, the Employer shall use seniority as prescribed by Act 78. Those officers laid off for more than one (1) year shall be required to pass a psychological and physical examination to be eligible for recall to their position.

12.2 Recall. The Employer shall give at least seven (7) calendar days' notice mailed to the last known address by certified mail. Officers who fail to make themselves available for work according to notice shall forfeit all seniority rights under this Agreement. However, the Employer at its sole discretion may make an exception. Recall shall be by reverse seniority with the last person laid off being the first person recalled.

ARTICLE 13

Military Service

13.1 Probationary officers who enter the Armed Forces must complete their probationary period, and upon completion, will have seniority equal to the time they spent in the Armed Forces.

13.2 Re-employment rights of officers will be limited to applicable Federal and State laws and regulations.

ARTICLE 14

Education

14.1 Education Allowance.

- A. Upon receipt of an Associate's Degree from an accredited college or university as determined by the U.S. Department of Education, officers shall be entitled to base pay at an annual rate that is Three Hundred (\$300) Dollars above the rate specified for them in this Agreement. Associate's Degree equals 14.4 cents per hour.
- B. Upon receipt of a Bachelor's Degree from an accredited college or university as determined by the U.S. Department of Education, officers shall be entitled to base pay at an annual rate that is Five Hundred (\$500) Dollars above the rate specified for them in this Agreement. Bachelor's Degree equals 24 cents per hour.

Appendix A
Effective July 1, 2009
3%

MAP PATROL

POSITION	Start	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	48 Months	54 Months	60 Months
<u>PATROL OFFICER</u>											
ANNUAL	46,581	48,563	50,548	52,528	54,514	56,488	58,481	62,443	69,049	71,543	72,259
hrly	22,395	23,348	24,302	25,254	26,209	27,158	28,116	30,021	33,197	34,396	34,740
bi-wk	1,791.60	1,867.84	1,944.16	2,020.32	2,096.72	2,172.64	2,249.28	2,401.68	2,655.76	2,751.68	2,779.20
<u>PATROL OFFICER ASSOC.</u>											
ANNUAL	46,881	48,863	50,848	52,828	54,814	56,788	58,781	62,743	69,349	71,843	72,559
hrly	22,539	23,492	24,446	25,398	26,353	27,302	28,260	30,165	33,341	34,540	34,884
bi-wk	1,803.12	1,879.36	1,955.68	2,031.84	2,108.24	2,184.16	2,260.80	2,413.20	2,667.28	2,763.20	2,790.72
<u>PATROL OFFICER BACH.</u>											
ANNUAL	47,081	49,063	51,048	53,028	55,014	56,988	58,981	62,943	69,549	72,043	72,759
hrly	22,635	23,588	24,542	25,494	26,449	27,398	28,356	30,261	33,437	34,636	34,980
bi-wk	1,810.80	1,887.04	1,963.36	2,039.52	2,115.92	2,191.84	2,268.48	2,420.88	2,674.96	2,770.88	2,798.40

Appendix A
Effective July 1, 2008
3%

MAP PATROL

POSITION	Start	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	48 Months	54 Months	60 Months
PATROL OFFICER											
ANNUAL	45,225	47,149	49,075	50,997	52,927	54,843	56,777	60,625	67,038	69,459	70,154
htly	21,743	22,668	23,594	24,518	25,446	26,367	27,297	29,147	32,230	33,394	33,728
bi-wk	1739.44	1813.44	1887.52	1961.44	2035.68	2109.36	2183.76	2331.76	2578.40	2671.52	2698.24
PATROL OFFICER ASSOC.											
ANNUAL	45,525	47,449	49,375	51,297	53,227	55,143	57,077	60,925	67,338	69,759	70,454
htly	21,887	22,812	23,736	24,662	25,590	26,511	27,441	29,291	32,374	33,538	33,872
bi-wk	1750.96	1824.96	1899.04	1972.96	2047.20	2120.88	2195.28	2343.28	2589.92	2683.04	2709.76
PATROL OFFICER BACH.											
ANNUAL	45,725	47,649	49,575	51,497	53,427	55,343	57,277	61,125	67,538	69,959	70,654
htly	21,983	22,908	23,834	24,758	25,686	26,607	27,537	29,387	32,470	33,634	33,968
bi-wk	1758.64	1832.64	1906.72	1980.64	2054.88	2128.56	2202.96	2350.96	2597.60	2690.72	2717.44

- C. Furnishing proof of completion of education as referred to above is as follows:
 1. A certified copy of the official transcript mailed directly to the Employer.
 2. Presentation to the Employer of a copy of a diploma. If a diploma is not available, a letter from the Dean of the college stating all requirements for the degree have been completed may be acceptable.

14.2 **Educational Assistance Program.** This program is offered to encourage officers to improve their job skills, to increase their value to the City and to assist them in preparing for future advancement with the City. The scope of the program does not include special seminars or "short courses" of a few days duration, which will continue to be considered on an individual and departmental training basis as in-service training. The following provisions are established to govern the administration of the City's Educational Assistance Program:

- A. Application for Educational Assistance may be made by any seniority officer.
- B. Applications will be considered if the officer is eligible for or receiving funds for the same course from any other source (G.I. Bill, scholarships, vocational rehabilitation, etc.). However, reimbursement under this program shall be limited to the difference between the other funds for which eligible or received for the same course and reimbursement in accordance with this Article.
- C. Application will be approved by the Chief and City Manager's designee only for courses related to the officer's present job or related to a promotional position within the organization or to satisfy the general education requirement for such a degree.
- D. Reimbursement shall be made only for courses completed at accredited high schools, trade schools, colleges and universities as determined by the U.S. Department of Education.
- E. There shall be a Seventy-Five (75%) percent reimbursement for tuition, lab fees, and required textbooks to a maximum of One Thousand Dollars (\$1,000) per year based upon courses completed with a grade of "C" or numerical equivalent, or for non-graded courses when the grade received is "Satisfactory" or "Passing."
- F. Officers must submit an official school transcript showing final grade received. Officers shall be considered as having completed a class when they conclude the term for which the school quotes the tuition fee.

- G. As funds for educational assistance are limited, priority shall be governed by the time and date that completed applications are received in the City Manager's Office. Approval and reimbursement for educational assistance is contingent upon the availability of funds, the officer's successful completion of the course and adherence to the policies and procedures.
- H. Expenses such as student fees, parking, and mileage shall not be part of the Educational Assistance Program.
- I. Officers under this program shall attend classes on their own time and without compensation from the City.

ARTICLE 15
Promotions

15.1 Purpose. The City and the Association are committed to the maintenance and advancement of qualified, experienced and dedicated Police Officers.

15.2 Promotional Committee:

- A. The promotional system shall be administered by a Promotional Committee consisting of five (5) members: two (2) appointed by the City Manager, two (2) appointed by the Association, and the fifth (5th) neutral member shall be selected by the other four (4) members.
- B. The neutral party will serve as chairman of the Promotional Committee.
- C. The Promotional Committee shall have responsibility for:
 - 1. The resolution of challenges to examination questions and assessment center factors and exercises.
 - 2. The overall administration of the promotional system.
 - 3. The Promotional Committee has the responsibility for resolving disputes arising from the inability of the City and Association to reach agreement as to the items contained in this Article.
- D. All decisions of the Promotional Committee, within the responsibilities enumerated above, will be final and binding on the Association and the City.

Appendix A
Effective July 1, 2007
3%

MAP PATROL

POSITION	Start	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	48 Months	54 Months	60 Months
PATROL OFFICER											
ANNUAL	43,908	45,776	47,646	49,512	51,386	53,245	55,124	58,859	65,085	67,435	68,111
1-yrly	21,110	22,008	22,907	23,804	24,705	25,599	26,502	28,298	31,291	32,421	32,746
bi-wk	1,688.80	1,760.64	1,832.56	1,904.32	1,976.40	2,047.92	2,120.16	2,263.84	2,503.28	2,593.68	2,619.68
PATROL OFFICER ASSOC.											
ANNUAL	44,208	46,076	47,946	49,812	51,686	53,545	55,424	59,159	65,385	67,735	68,411
1-yrly	21,254	22,152	23,051	23,948	24,849	25,743	26,646	28,442	31,435	32,565	32,890
bi-wk	1,700.32	1,772.16	1,844.08	1,915.84	1,987.92	2,059.44	2,131.68	2,275.36	2,514.80	2,605.20	2,631.20
PATROL OFFICER BACH.											
ANNUAL	44,408	46,276	48,146	50,012	51,886	53,745	55,624	59,359	65,585	67,935	68,611
1-yrly	21,350	22,248	23,147	24,044	24,945	25,839	26,742	28,538	31,531	32,661	32,986
bi-wk	1,708.00	1,779.84	1,851.76	1,923.52	1,995.60	2,067.12	2,139.36	2,283.04	2,522.48	2,612.88	2,638.88

Appendix A
Effective July 1, 2006
3.5%

MAP PATROL

POSITION	Start	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	48 Months	54 Months	60 Months
PATROL OFFICER ANNUAL	42,629	44,443	46,259	48,070	49,888	51,694	53,518	57,145	63,190	65,472	66,127
	20,495	21,367	22,240	23,111	23,985	24,853	25,730	27,474	30,380	31,477	31,792
bi-wk	1,639.60	1,709.36	1,779.20	1,848.88	1,918.80	1,988.24	2,058.40	2,197.92	2,430.40	2,518.16	2,543.36
PATROL OFFICER ASSOC. ANNUAL	42,929	44,743	46,559	48,370	50,188	51,994	53,818	57,445	63,490	65,772	66,427
	20,639	21,511	22,384	23,255	24,129	24,997	25,874	27,618	30,524	31,621	31,936
bi-wk	1,651.12	1,720.88	1,790.72	1,860.40	1,930.32	1,999.76	2,069.92	2,209.44	2,441.92	2,529.68	2,554.88
PATROL OFFICER BACH. ANNUAL	43,129	44,943	46,759	48,570	50,388	52,194	54,018	57,645	63,690	65,972	66,627
	20,735	21,607	22,480	23,351	24,225	25,093	25,970	27,714	30,620	31,717	32,032
bi-wk	1,658.80	1,728.56	1,798.40	1,868.08	1,938.00	2,007.44	2,077.60	2,217.12	2,449.60	2,537.36	2,562.56

- E. The Promotional Committee shall conduct an annual review of the promotional system and make written recommendations regarding amendments, deletions or additions. Within ten (10) days of the Promotional Committee's Annual Report, by mutual agreement, the City and the Association shall commence negotiations for an amended promotional system. Such annual re-opener does not, however, preclude the parties from mutually amending the system at any time as may be necessary and appropriate to its effective operation.
- 15.3 This promotional system supersedes Act 78 for promotions.
- 15.4 Eligibility and Requirements for Sergeant's Exam. Officers with five (5) years or more of continuous seniority as an officer with the Sterling Heights Police Department shall be eligible to test for the position. To determine officers' eligibility to take a promotional examination or to calculate their seniority credit, the closing date for determining their seniority shall be the date the promotional written test is given.
- 15.5 Testing Criteria.
- A. A bibliography for each test shall be determined by the Promotional Committee.
 - B. Each test shall be administered and graded/scored by an independent testing agency to be selected by the Promotional Committee. The score used shall be the raw score converted to a percentage.
 - C. The testing agency shall develop an appropriate test for the rank of Sergeant on the basis of the bibliography provided for in "A" above.
 - D. Each test may be reviewed and approved by an outside consultant selected by the Promotional Committee before it is administered.
 - E. The Promotional Committee may agree that a test be administered and graded/scored in accordance with procedures and standards established by the testing agency.
- 15.6 Examination.
- A. Written Test.
 1. The announcement of a test and the appropriate bibliography and assessment factors for such test shall be posted or otherwise communicated to testing officers 60 days ahead of the examination. Examinations will be conducted on the first Saturday in March of each odd-numbered year beginning in 2007.

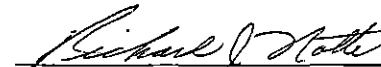
2. Officers shall have twenty (20) calendar days from the announcement of a test in which to sign up with the Captain of the Special Services Division. Officers who are absent from duty more than twenty (20) days shall provide to the Police Captain an address where they can be contacted.
3. Officers may see their examination after it has been corrected during a period set up by the Promotional Committee.
4. Officers may challenge the validity of an examination question. Such challenge must be in writing, stating the reasons, and be filed with the Promotional Committee within ten (10) calendar days of the test (protest period). Officers will be notified if they passed or failed the exam following the expiration of the ten (10) day protest period.

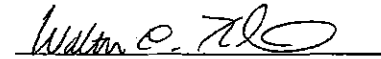
B. Non-Written Examination.

1. All assessors shall be independent and neutral persons having no interest or connection, directly or indirectly, with the City or its representatives.
2. One-half (½) of the assessors appointed shall have actual knowledge and experience in Criminal Justice and/or Police Administration.
3. The remaining assessors appointed may have business, labor or professional backgrounds.
4. A list of potential assessors selected by the testing agency shall be approved by the Promotional Committee for each promotional test if deemed necessary by a majority of the Promotional Committee.
5. The Promotional Committee shall develop the factors and exercises for the assessment. Such factors and exercises will be submitted to a testing agency for final independent review and selective use in the assessment process.
6. All candidates will be required to submit a written resume of their accomplishments and achievements to the Human Resources Director two weeks prior to his or her scheduled oral interview date. After verification by the Human Resources Director, this resume will be shared with the assessors prior to the scheduled interview.

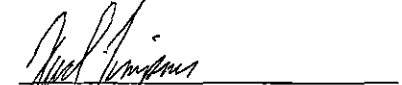
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representative as of the day and year first written.

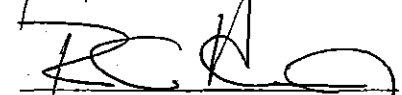
CITY OF STERLING HEIGHTS

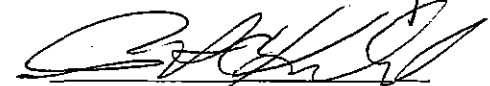

Richard J. Notte, Mayor


Walter C. Blessed, City Clerk

MICHIGAN ASSOCIATION OF POLICE


Fred Timpner, Executive Director


Richard Heins, President


Robert Kovalcik, Negotiation Chairman


James Bryant, Negotiation Committee


Michael Kunath, Negotiation Committee

Date: 12-19-06

ARTICLE 43

Savings Clause

43.1 In the event that any provisions of this Agreement shall be declared invalid by any court of competent jurisdiction, the decision shall not invalidate the entire Agreement, it being the express intention of the parties that all other provisions shall remain in full force and effect.

43.2 In the event that any provision of this Agreement is held invalid, as set forth above, the parties shall enter into negotiations for the purpose of arriving at a mutually satisfactory replacement for the provisions held invalid.

ARTICLE 44

Duration

44.1 Duration. This Agreement shall be effective and shall remain in force and effective to and including June 30, 2011.

44.2 Future Negotiations. The City and the Association agree that commencing not later than March 1, 2011, the parties will undertake negotiations for a new agreement for a succeeding period.

D. Scoring the Examination.

1. Officers are eligible for further promotional testing only if the score on the written examination is a minimum seventy (70%) percent.
2. Written examination: Fifty (50%) percent of total score.
Oral interview panel: Fifty (50%) percent of total score.
3. If any question on the written and/or non-written examination is held to be invalid, the entire examination will not be deemed invalid; but, scores will be adjusted to reflect the total points possible.
4. After totaling the written and non-written scores, officers who pass the above requirements will be given additional points for seniority commencing with five (5) years in accordance with the following schedule:

5-14 years of service	0.5 point for each year
15-25 years of service	1 point for each year beginning year 15

The maximum accumulation for any officer shall be 15 points.
5. No individual examination scores shall be released until all phases of the examination process have been completed.

E. Eligibility Lists.

1. The City Manager shall approve all eligibility lists before they are certified by the Promotional Committee. The eligibility lists shall be maintained by the City Manager's Office. All eligibility lists shall be certified by May 1. Due to extenuating circumstances, this date may be extended with the approval of the Promotional Committee.
2. The eligibility list will be valid from the date of its certification by the Promotional Committee until the first Saturday in March of the subsequent odd-numbered year. Promotions will be made only from a valid eligibility list.
3. Eligibility lists, which have been challenged, shall be held in abeyance pending final resolution of the challenge by the Promotional Committee.

15.7 Miscellaneous Provisions.

- A. In the event no officers successfully qualify for a given position, those officers, and any other qualified, shall be afforded a second examination. In the event no one qualifies in this second examination, further testing shall include all Sterling Heights Officers with less than five (5) years seniority, except probationary officers.
- B. In the event that an officer on the eligibility list for promotion either declines that promotion or returns to their previous rank or grade as provided in Article 9, that officer shall be removed from the eligibility list. The officer so removed may re-apply and re-test when subsequent eligibility lists are to be established.
- C. All costs, fees and expenses to maintain and administer the promotional system shall be borne by the City. However, no overtime will be paid to an officer who participates in the promotional process.
- D. No officer shall be required to pay a fee for any examination required under the promotional system.
- E. The parties reserve the right to renegotiate the examination process for the position of Sergeant in July, 2008 following the appointment of a permanent Police Chief.

ARTICLE 16

Residency

16.1 All officers in the Association, if not residents of the County of Macomb and/or 20 miles of the City's municipal boundaries at the time of their appointment, shall become residents within six (6) months after completing probation, and shall remain so while employed by the City. The Employer may extend the six (6) month period at its sole discretion.

- C. In the event the injured officers or their dependents or personal representatives shall settle their claim for injury or death, or commence proceedings thereon against the third party before the payment of benefits, such recovery or commencement of proceedings shall not act as an election of remedies, and any monies so recovered shall be applied as herein provided.
- D. In an action to enforce the liability of a third party, the plaintiff may recover any amount which the officers or their dependents or personal representative would be entitled to recover in an action in tort. Any recovery against the third party for damages resulting from personal injuries or death only, after deducting expenses of recovery, shall first reimburse the Employer or its insurance carrier for any amounts paid or payable under the provisions of this article, to the date of recovery, and the balance shall be forthwith paid to the officers or their dependents or personal representative and shall be treated as an advance payment by the Employer on account of any future payments of benefits.
- E. Expenses of recovery shall be the reasonable expenditures, including attorney fees, incurred in effecting such recovery. Attorney fees, unless otherwise agreed upon, shall be divided among the attorneys for the plaintiff as directed by the Court. The expense of recovery above-mentioned shall be apportioned by the Court between the parties as their interests appear at the time of said recovery.

42.7 New Officer Hiring. The eligibility list for new police officer hiring shall be either one or two years as determined to be in the best interest of the Employer.

42.8 Deferred Compensation. Effective July 1, 2006, the City shall annually contribute \$700 to each officer's established deferred compensation plan. This contribution shall be made through the bi-weekly pay.

42.9 Monthly Training Program. In addition to the standard training, all officers are required to participate in the monthly department wide training program. This department training will take precedence over general types of outside training. This training will be presented on the day shift and all officers will be trained on either the day preceding or the day immediately following the officer's scheduled leave days (SLD's). No overtime or shift premium will be paid for this training. The training will be suspended for the months of June, July, August, and December due to manpower requirements. Training schedules will be posted a minimum of two weeks in advance of the required training.

42.10 Operational Performance Deficiency Training. The Employer reserves the right to assign an officer to training for documented operational performance deficiencies at its discretion. No overtime or shift premium will be paid to an officer who is required to attend such training.

42.3 Flexible Spending Accounts. All officers shall be eligible to participate in the City's Cafeteria Plan, as amended and restated in accordance with Federal law. Reimbursement to employees shall be made on a monthly basis for all participants.

42.4 Optical Reimbursement. The City will provide a maximum reimbursement of one hundred and fifty (\$150.00) to all officers for eye examinations and prescription eyewear every fiscal year beginning with the 2006/07 fiscal year. In order to be reimbursed, the officer must submit appropriate receipts.

42.5 Action Against the Other Party. In further consideration of the mutual promises contained herein, the parties hereto expressly agree that neither party shall bring or cause to be brought any legal or administrative action against the other until the dispute, claim, grievance or complaint shall have been brought to the attention of the party against whom it shall be made.

42.6 Subrogation. Where the injury or occupational disease for which compensation is payable under the provisions of the contract was caused under circumstances creating a legal liability income person other than a natural person in the same employ or the employer to pay damages in respect thereof, the acceptance of benefits or the taking of proceedings to enforce payments shall not act as an election of remedies, but injured officers, their dependents or personal representatives may also proceed to enforce the liability of such third party, for damages in accordance with the provisions of this section. If the injured officers, their dependents or personal representatives do not commence such action within one (1) year after the occurrence of the personal injury or occupational disease, then the Employer or its worker's compensation insurance carrier or other insurance carrier may, within the period of time for the commencement of actions prescribed by statute, enforce the liability of such other person in the name of that person. Not less than thirty (30) days before commencement of suit by any party under this section, such party shall notify by registered mail at their first known address, the injured officer or, in the event of their death, their known dependents or personal representative or their known next of kin and their employer. Any party in interest shall have a right to join in said suit.

- A. Prior to the entry of judgment, either the Employer or insurance carrier or the officers or their personal representative may settle their claims as their interest shall appear and may execute releases therefore.
- B. Such settlement and release by the officer shall not be a bar to action by the Employer or its compensation insurance carrier to proceed against said third party for any interest or claim it might have.

ARTICLE 17

Hours of Work

17.1 Normal Working Hours. The work week shall consist of forty (40) hours; however, officers will report in not later than fifteen (15) minutes prior to shift start. This fifteen (15) minutes shall be paid at time and one-half (1 ½).

17.2 Workday.

- A. The normal work day shall be either eight (8) hours or ten (10) hours depending on assignment. The parties agree to re-evaluate the ten (10) hour shift scheduling in July of 2010 in preparation of negotiations scheduled for 2011.
- B. Traffic and patrol officers, evidence technicians, Detective Bureau, and Youth Bureau officers (with the exception of one (1) eight (8) hour officer) shall work ten (10) hours per day. Officers assigned to outside agencies and the School Resource Officer may work eight (8) hours per day.
- C. K-9 Unit officers shall work 35 hours per week with an additional five (5) hours pay per week for Fair Labor Standards Act compliance.
- D. Officers serving as Field Training Officers (FTO's) shall receive an additional one (1) hour pay on an eight (8) hour shift or an additional one and one-quarter pay on a ten (10) hour shift.

ARTICLE 18

Overtime/Compensatory Time

18.1 Overtime pay shall be one and one-half (1-½) times the hourly rate for all hours worked in excess of forty (40) hours in one (1) week, and/or beyond the normal shift in any one (1) day.

18.2 Overtime work shall be authorized by a supervisor.

18.3 Anytime the Employer decides that unscheduled overtime is needed or required to perform a job usually done by an officer, that overtime shall be first offered and made available to officers regardless of bureau assignments.

18.4 Training. Officers with approved leave time shall not be required to attend scheduled training programs. Those officers on SLD's will report for training and be paid overtime for attending training. Those officers assigned to afternoon and midnight shifts shall receive shift premium for training except when participating in the monthly department wide training program.

18.5 Choice of Time or Pay. Officers have the choice of compensatory time or pay for overtime worked. Officers are to designate their choice at the time the overtime work is actually earned.

18.6 Compensatory time is earned by officers at the overtime pay rate.

18.7 The accumulated unused compensatory time for officers shall be computed by the City as of the last day of the first pay period in June of each year, based upon the current rate of pay, and will be paid to officers by June 30. However, at the officer's option, he or she may elect to carry over into the next fiscal year up to twenty (20) hours of compensatory time in their compensatory bank.

18.8 Request For Compensatory Time Pay. Officers may request payment for any and/or all accumulated compensatory time before the 15th of the month. Payment will be made as soon as reasonably possible.

18.9 Overtime will be paid to officers on an hour for hour basis when they must report to a doctor of the Employer's choice for treatment of a duty related illness/injury before or after their regular work hours. Officers shall not be eligible for the three (3) hour minimum call-in provision. All efforts shall be made to schedule treatment during regular work hours.

18.10 Officers with accrued compensatory time who request the use of that time shall be permitted to use the time. However, if the request for compensatory time off is within a 48 hour time period from the requested date and there is already the maximum number of personnel off as determined by the oncoming shift commander then the Employer may not approve the requested time off since it could cause an undue disruption to the operations of the Police Department. Compensatory time requests will be primary to any single day vacation and personal leave requests; however, it will not preempt previously approved leave time.

ARTICLE 40

Adoption by Reference

40.1 All letters of understanding and contract appendices between the Employer, the Association and MAP shall be adopted by reference.

40.2 The Substance Abuse Policy established by the Employer shall be adopted by reference.

ARTICLE 41

Waiver Clause

41.1 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that rights and opportunity are set forth in this Agreement. Therefore, the Employer and the Association, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered by this Agreement and with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge and contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE 42

Miscellaneous

42.1 Pay Periods. The Employer shall provide pay periods every two (2) weeks. Payment shall be made on Thursday for the period ending the previous Friday. Officers shall be provided with an itemized statement of their earnings and of all deductions made. All officers hired after July 1, 2001 will be required to participate in the City's direct deposit of payroll program.

42.2 Withholding of Pay - Probationary Officers. Probationary officers shall immediately have one (1) week's pay withheld, so as to conform with City policy. Officers who leave the employ of the City shall receive pay as soon as is practical for the hours withheld.

- E. To determine the size of the work force and increase or decrease its size.
- F. To hire, assign and layoff officers to reduce the work week or the work day or effect reductions in hours worked by combining layoffs and reductions in work week or work day.
- G. To permit municipal employees not included in the Association to perform Association work in cases of emergency.
- H. To direct the work force, assign work and determine the number of officers assigned to operations.
- I. To establish, change, combine or discontinue job classifications and prescribe and assign job duties, content and classification subject to Civil Service jurisdiction.
- J. To determine lunch, rest periods and cleanup times, the starting time and the quitting time.
- K. To establish work schedules.
- L. To discipline and discharge officers for cause.
- M. To adopt, revise and enforce working rules and carry out cost and general improvement programs.
- N. To transfer, assign and reassign officers from one assignment, division or shift to another.
- O. To determine the qualifications and competency of officers to perform available work subject to the terms of this Agreement.
- P. To deduct from officer's paychecks any overpayment officers may have received that they were not entitled to under this Agreement, without the specific written approval of the officer. This will be deducted in amounts equal to the amount of overpayment, over the same amount of time the overpayments were received.

39.2 This Article shall not give authority to the City to vary terms of this Agreement without mutual agreement of the parties.

ARTICLE 19

Distribution of Overtime

19.1 The Employer will make every reasonable attempt to fairly distribute scheduled overtime under the following conditions: for the purpose of this article, scheduled overtime is any event the Department has had at least seventy-two (72) hours advance notice.

19.2 Seniority officers who are able to report for full duty shall be eligible for scheduled overtime.

19.3 Only those officers who volunteer and sign-up for scheduled overtime shall be eligible, except as set forth in Section 19.6. The officer with the least amount of scheduled overtime hours will be given the assignment.

19.4 Scheduled overtime details shall be posted ten (10) days ahead of when needed, when possible, along with a description of said detail and an estimate of the number of hours to be worked.

19.5 Scheduled overtime will be worked by officers that are assigned to the bureau or division where the scheduled overtime occurs. Example: Investigations will work Investigations overtime; Narcotics, Narcotics overtime; Crime Prevention, Crime Prevention overtime; Evidence Technicians, Evidence Technician overtime. Patrol and Traffic Bureaus shall work overtime related to school athletics, parades, auctions, election details and other special events where uniform officers are needed.

19.6 Should there not be enough volunteer officers from the bureau or division requesting the scheduled overtime, other officers shall be used to complete the detail using the same criteria.

19.7 Should not enough officers sign up for the scheduled overtime, the Shift Commander shall assign such overtime to the lowest seniority officer available.

19.8 Scheduled overtime accounts shall be posted hour for hour and kept up-to-date by the Employer for six month periods to coincide with the shift selections.

19.9 In case of officers being equal in the amount of scheduled overtime hours, seniority shall prevail.

19.10 A grievance resulting in the finding of a violation of this Article by the Employer shall be remedied only by granting the grievant officer the next opportunity for scheduled overtime in an equal or greater amount, and not entitle them to pay for time not worked, except in the event of a third such finding as to the decision/action of a single supervisor, in which case the grievant officer would be entitled, if they prevail in their grievance, to pay as a remedy.

ARTICLE 20

Call-in and Court Time

20.1 An officer whose appearance is required in Court, after he/she has reported off duty and before his/her next tour of duty, by virtue of his/her duties shall be paid for all overtime at the rate of one and one-half times his/her hourly rate. An employee who is required to report to Court after he/she has reported off duty and before his/her next tour of duty shall be guaranteed a minimum of three (3) hours credit at time and one-half times the base rate of pay for such call-in. However, if an officer is required to appear in Court for two separate cases within the same three (3) hour period, he/she shall be paid for only the minimum three (3) hour period.

20.2 Any call-in/court-time overtime pay situations that exceed the minimum three (3) hours shall require approval of a supervisor. The City shall not be liable for overtime worked beyond the three (3) hour minimum guarantee without supervisory approval. Approval shall not be unreasonably withheld.

20.3 Work on all standing committees which occurs outside an officer's normal work shift shall not entitle the officer to the three (3) hour minimum, but rather shall be paid on an hour for hour basis at the overtime rate. However, officers participating in the FTO program will continue to receive the three (3) hour minimum for all mandatory meetings.

20.4 Court time shall not be paid to officers who report to court when they are off work due to a duty related illness/injury and who are receiving full pay.

ARTICLE 21

Distribution of Labor Agreement

21.1 The City agrees to produce four hundred (400) copies of this Agreement for use by the Association.

ARTICLE 38

Longevity

38.1 Longevity pay shall be paid on the following basis effective July 1, 2006:

\$1,500 after 5 years of continuous service
\$2,800 after 10 years of continuous service
\$4,100 after 15 years of continuous service
\$5,500 after 20 years of continuous service

38.2 Longevity pay shall be based upon the total number of continuous, completed full years as of an officer's anniversary date. Longevity pay is to be paid the first pay period following the officer's anniversary date.

38.3 The Employer will prorate the longevity payments for officers at the time of retirement or separation.

ARTICLE 39

Management Rights

39.1 The City, on its own behalf and on behalf of its electors, hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties and responsibilities conferred upon the State of Michigan and of the United States. Further, all rights which ordinarily vest in and are exercised by employers except such as are specifically relinquished herein are reserved to and remain vested in the City, including but without limiting the generality of foregoing the right:

- A. To manage its affairs efficiently and economically, including the determination of quantity and quality of services to be rendered, the control of materials, tools and equipment to be used and the discontinuance of any services, material or methods of operation.
- B. To introduce new equipment, methods, machinery or processes, change or eliminate existing equipment and institute technological changes, decide on materials, supplies, equipment and tools to be purchased.
- C. To subcontract or purchase any or all work, processes or services, or the construction of new facilities or the improvement of existing facilities.
- D. To determine the number, location and type of facilities and installations.

ARTICLE 36

Clothing and Cleaning Allowance

36.1 Effective July 1, 2006, officers shall receive Fifteen Hundred (\$1,500) Dollars per annum for clothing, bullet resistant vest and non-City supplied equipment as of the date of this Agreement. Said payment shall be made in the second pay period in June for the previous twelve (12) month period (up to and including June 30th).

36.2 Upon an officer's death, retirement or resignation in good standing, the City shall pay the accrued clothing allowance prorated upon the number of fully completed months of employment. A fully completed month is achieved if the death, resignation or retirement occurs on or after the sixteenth (16th) of the month.

36.3 New Hire Uniform Draw. Probationary officers shall be eligible to "draw" up to Fifteen Hundred (\$1,500) Dollars to purchase the required initial set of uniforms. At the time of the first clothing allowance for which a probationary officer is eligible, the probationary officer shall receive the prorated portion of the clothing allowance from the date of hire through June 30th. A fully completed month for the prorated portion is achieved if the probationary officer was hired during the 1st through the 15th of the month. The City will purchase the probationary officer's initial bullet resistant vest; thereafter, all future vest purchases will be the responsibility of the officer.

36.4 Draw, Property of City. All items purchased under the initial "draw" of the maximum amount including the bullet resistant vest shall remain the property of the City until probationary officers successfully complete their probationary period. Should probationary officers leave the employ of the City for any reason during the probationary period, all uniforms and equipment purchased with the initial "draw", including the bullet resistant vest, and the initial prorated uniform and equipment allowance shall be returned to the City.

ARTICLE 37

Shift Premium

37.1 Effective July 1, 2006, the rates for shift premium shall be as listed:

- Afternoon Shift - 4% of base hourly rate
- Midnight Shift - 5% of base hourly rate

37.2 The shift premium rates will be determined by the work schedule or assignment of the officers.

37.3 Shift premium will be paid only for the normal shift and not for overtime worked.

ARTICLE 22

Vacation Time

22.1 On July 1st of each year, officers shall be credited vacation time with pay as indicated:

- A. Probationary officers shall accrue vacation time at the rate of 9.33 hours for each full month worked. At the end of probation, officers shall be credited with the accrued time and continue to earn it at that rate of 9.33 hours per month until the next July 1st (when that time will be credited to their vacation bank). If terminated prior to the completion of probation, they do not receive compensation for any vacation time.
- B. Officers shall be credited on each July 1st with vacation time with pay as indicated:

1 year of service	112 duty hours
2 years of service	128 duty hours
3 years of service	144 duty hours
4-10 years of service	168 duty hours
11-14 years of service	176 duty hours
15-19 years of service	184 duty hours
20 years and over	200 duty hours

22.2 Officers hired after July 1, 1996 shall accrue their vacation time on their anniversary date.

22.3 Upon termination of employment for any reason, vacation time shall be reduced on a pro-rated monthly basis at the appropriate earning rate for each full month remaining between the termination date and June 30th. If for any reason, this reduction results in an officer owing to the City monies, the City may offset the monies owed from any other monies due the officer, including but not limited to sick time, clothing allowance, holiday pay, shift premium, compensatory time or any other monies owed to the officer.

22.4 No probationary officers shall be eligible to take vacation time until they have completed their probationary period, unless approved by the Chief.

22.5 Officers may accumulate a maximum of 270 hours vacation as of June 30th of any year. If as of June 30th, of any year, officers will have accumulated in excess of 270 hours vacation, their vacation bank shall be reduced to 270 hours as of June 30th. For those officers hired after July 1, 1996, this date would be their anniversary date rather than June 30th.

22.6 Officers shall submit vacation requests at least forty-eight (48) hours prior to the time requested. The forty-eight (48) hours may be waived by the Shift Commander.

ARTICLE 23

Leave of Absence

23.1 The Employer may give reasonable time off up to thirty (30) days without discrimination or loss of seniority rights or other benefits, without pay to officers designated by the Association to attend a labor convention, seminar or school, provided seventy-two (72) hours written notice is given to the Employer by the Association, specifying the length of time off for Association activities. Due consideration shall be given to the number of officers affected in order that there shall be no disruption of the Employer's operations due to lack of available officers.

23.2 The Employer may grant, in its sole discretion, leaves of absence for up to six (6) months without pay or other benefits except seniority. This section of this Agreement shall not be subject to the grievance procedure, Civil Service appeal or Court action on behalf of any officer who feels aggrieved.

23.3 The Employer shall comply with the Federal Family and Medical Leave Act.

ARTICLE 24

Jury Duty

24.1 Officers required to serve on jury duty shall be compensated and reassigned to day shift until the termination of jury duty. Compensation is no more than forty (40) hours per work week. Officers must return their jury duty compensation to the City in order to be eligible for pay under this provision.

24.2 If officers are dismissed before the end of their shift, they will be required to return to work.

35.8 Prior Law Enforcement Time. At no cost to the City, officers may purchase up to three (3) years of prior law enforcement time as credit towards retirement. Should an officer have three (3) years as an officer with another municipality and exercises his/her option to purchase all three (3) years towards retirement credit, then the officer would only have to work twenty-two (22) years to satisfy the twenty-five (25) year service requirement for regular retirement. To satisfy this requirement the officer shall pay 5% of their full time or equated full time compensation plus the total City contribution rate paid by the City in effect at the time of application to purchase such time. This contribution rate is adjusted annually based upon the actuarial report as set by the City of Sterling Heights Police & Fire Retirement System Board of Trustees. Payments may be made through a payroll deduction plan without interest being owed on these monies.

35.9 Straight Life (Regular) Pension Amount 2.8% Multiplier. Upon retirement from service, officers shall receive a regular retirement pension payable throughout the officer's life of 2.8% of their average final compensation, multiplied by the first twenty-five (25) years of service, credited to the officer, plus one (1%) percent of the officer's average final compensation, multiplied by the number of years and fraction of a year of service rendered in excess of twenty-five (25) years. Maximum pension shall not exceed seventy five (75%) percent of final average compensation.

35.10 Duty Disability Retired Officers. Retired officers receiving a duty disability/death pension shall be allowed to convert to a regular service pension when they would have completed twenty-five (25) years of service or when they reach the age of fifty-five (55), whichever comes first under the same conditions as found in Section 35.9.

35.11 The decisions of the Police & Fire Pension Board (Act 345) in conflict with the terms and conditions of this Agreement shall be subject to the grievance procedure up to and including arbitration. Both parties shall have equal access to the grievance process. If the parties are unable to resolve their differences through a meeting within thirty (30) days of the alleged violation, then either party may file for arbitration. The pre-arbitration step shall also apply to this Section.

35.12 The annual actuarial report must be completed by the Pension Board and distributed to the parties by March 1st.

35.13 Deferred Retirement Option Plan (DROP). The Employer agrees to establish a Deferred Retirement Option Plan (DROP) in accordance with the attached Appendix D.

- C. Two (2) times holiday base rate hours shall not be included in the limitations as set forth in Section "B", but are included in AFC.

35.5 Service Retirement/Voluntary Retirement "25 And Out". Officers who have twenty-five (25) or more years of service, may leave the service and receive the full retirement benefits payable throughout their life as provided from their straight life (regular) pension amount.

35.6 Service Credit. When computing an officer's service credit, the officer shall be given service credit for not more than six (6) years active military service to the United States Government, upon payment to the retirement system of five (5%) percent of their full time or equated full time compensation for the fiscal year in which payment is made, multiplied by the years of service that the officer elects to purchase, up to the maximum. Service shall not be creditable if it is or would be creditable under any other Federal, State or locally publicly supported retirement system, but this restriction shall not apply to officers who have or will have acquired retirement eligibility under the Federal Government for service in the Reserves, i.e., an officer with two (2) years of Military Service for the American Armed Forces may purchase up to two (2) years of credit. Assuming the officer purchases the two (2) years military credit, then the officer will only have to work twenty-three (23) years to satisfy the twenty-five (25) year service requirement for regular retirement.

35.7 Cadet Credit. Officers may purchase up to four (4) years Cadet time as credit towards retirement. Only time spent as a Cadet with the Sterling Heights Police Department Cadet Program shall be counted, i.e., should an officer have four (4) years as a Sterling Heights Police Cadet and exercises their option to purchase all four (4) years towards retirement credit, then the officer would only have to work twenty-one (21) years to satisfy the twenty-five (25) year service requirement for regular retirement. To satisfy this requirement the officer upon payment to the retirement system of five (5%) percent of their full time or equated full time compensation for the fiscal year in which payment is made, multiplied by the years of service that the officer elects to purchase up to the maximum.

NOTE: Should an officer have earned both Military and Cadet credits as outlined above, the officer may exercise one or the other options but not both Military and Cadet time.

ARTICLE 25

Sick Leave

25.1 How Earned. All officers are eligible to receive sick leave. Sick leave will be earned at the rate of ten (10) hours for each full month paid status of employment. If the predominant shift should revert to eight (8) hours, this provision of the sick leave policy will be renegotiated. For officers hired the 1st through the 15th of the month, their sick leave base date will be the first of that month, and if hired the 16th through the last of that month, the base date will be the first of the next month.

25.2 Regular Sick Bank Accumulation. Effective July 1, 2006, sick leave may be accumulated to a maximum of one hundred sixty (160) hours. Maximum sick leave earned per year shall be one hundred twenty (120) hours.

25.3 If reported before the start of shift, sick leave shall be available for use by officers in units of four (4) hours or more. If taken after the start of a shift, sick leave shall be equal to the actual time taken rounded to the next highest whole hour. For doctor and dental appointments, officers may utilize sick leave in one (1) hour increments based upon the following criteria:

- A. Officers must request sick leave in advance, indicating on the leave request form, the doctor's name and address.
- B. Officers, if requested by the Employer, will be required to provide Employer with a receipt from the doctor.

25.4 Sick leave shall be available for use by officers for the following purposes:

- A. Acute personal illness or incapacity over which the officer has no reasonable control.
- B. Absence from work because of exposure to contagious disease which, according to public health standards, would constitute danger to health of others by the officer's attendance at work.
- C. To act as a responsible caregiver for a member of the officer's immediate family.

25.5 Officers absent for more than one (1) month, with the exception of paid leave, will earn sick leave for the first month only.

25.6 Officers having in excess of forty (40) hours as of the end of the first full pay period in June of each year will have the option of:

- A. Receiving compensation computed on the basis of fifty (50%) percent (one-half) of their regular hourly rate as of the end of the first (1st) pay period in June, for all sick leave in excess of forty (40) hours.
- B. Receiving "personal leave time" with pay during the subsequent fiscal year for all sick leave in excess of forty (40) hours. The use of the personal leave time is subject to approval in advance by the Shift Commander, but may be requested for use for any reason by officers. Personal leave time shall be available for use by officers in units of one (1) hour or more. Should an officer fail to use the personal leave time during the fiscal year, said personal leave time would be lost to the officer.

25.7 Holiday. An employee, using sick leave during a period that includes a scheduled holiday, will be paid for the holiday. They cannot be paid for both on the same day, nor will they be charged for a day of sick leave.

25.8 Maximum Sick Leave. No officer can draw more than eighty (80) hours of sick leave during a two (2) week pay period.

25.9 Doctor's Report. Officers off sick shall be required to supply a doctor's report if requested by the City Manager and/or Police Chief. The Employer may require an examination for any officer off sick, upon return, by a doctor of the Employer's choice, on City time and at City expense.

25.10 Leave Request Form. The leave request form must be filled out completely and properly signed and submitted by officers for absence of any cause.

25.11 Pay for Unused Sick and Personal Leave. Upon an officer's death, retirement, or resignation in good standing, the City shall pay fifty (50%) percent of their accumulated unused sick and personal leave in their banks.

35.3 Annuity Withdrawal. Officers shall have available to them, in addition to the retirement options already in place, an annuity withdrawal option as follows:

- A. Annuity withdrawal is the option that allows officers to withdraw their accumulated contribution, (with interest), at retirement and thereby forfeit the portion of their retirement allowance which was financed by their contributions.
- B. Officers wishing to elect this option must make written application to the Act 345 Pension Board.
- C. The Pension Board shall issue officer's retirements.
- D. The parties agree that the Merrill-Lynch Bond Index will be used for the purposes of computing the annuity withdrawal option. The most current index prior to an officer's retirement date shall be used. This option is only available for normal service retirement. Officers who elect the annuity withdrawal option shall have their annual pension reduced accordingly as determined by the Pension Board Actuaries.
- E. Officer's contributions for prior Municipal service, Military Service or Cadet Time are not included in an annuity withdrawal.
- F. Both duty and non-duty disabled retired officers shall be allowed the option to take their annuity withdrawal under this Section at the time of their disability retirement or at the time of conversion to a regular service retirement. This option shall also be available to the surviving spouse or surviving children of an officer who died in the line of duty.

35.4 Three (3) of Ten (10). Average Final Compensation (AFC) shall be based on the highest three (3) of the last ten (10) years of employment prior to retirement.

- A. As used in this section, "years" shall mean any consecutive 365 day period (366 day period in a leap year) which shall not overlap, calculated backwards from any one of the three (3) option dates listed below:
 - 1. Calendar Year
 - 2. Fiscal Year
 - 3. Effective date of retirement as determined by the officer. The effective date of retirement shall be the day after the last day at work or on paid leave.
- B. AFC shall include all monies received excluding allowances or reimbursements.

If there is no surviving spouse at the time of a member's death in the line of duty, benefits under this option shall be paid into a trust for any surviving children and continue to be paid until each surviving child attains 18 years of age, marries, or dies. The benefit amount shall be the straight life benefit amount which would otherwise have been paid to member until youngest child attains 18 years of age, marries, or dies. If the deceased member had less than 25 years of service credit at the time of death, benefits shall be computed as if the member had 25 years of service effective the day preceding the member's date of death. Creation of the trust, and the cost of its administration, shall be the responsibility of representatives of the minor children.

These benefits, if paid to a spouse, will continue for the surviving spouse's life. Upon the surviving spouse's death, if there are any surviving children under the age of 18 years and unmarried, such benefits shall continue to be paid to such surviving children until they reach age 18, marry or die. The benefit amount shall be that which was previously paid to the surviving spouse.

Any benefits payable shall be offset by any Worker's Compensation benefits or payments received, including any redemption amounts.

Disputes as to whether the death of the member was in "the line of duty" for purposes of this Article, shall be resolved in accordance with the Worker's Compensation laws of the State of Michigan and not through the grievance process provided in the contract.

Option 2: Service connected death benefits payable to surviving spouse and/or minor child(ren) as provided for in Section 6(2)(a & b) of Act 345 (MCL 38.556(2)(a & b)).

The existence of an EDRO shall not operate to increase the financial obligations of the City and the Pension Fund in any case arising under this Section. Any payments directed under an EDRO shall be offset against payments made to a surviving spouse. If the former spouse receiving benefits pursuant to an EDRO dies before the surviving spouse, and the payments under the EDRO lapse, then the payments made to a surviving spouse shall thereupon be increased to include the amounts previously directed by the EDRO.

ARTICLE 26

Duty Connected Illness or Injury

26.1 **Full Pay.** For the loss of time for officers injured in the course of employment with the City, officers shall receive full pay for up to a cumulative total three hundred and sixty-five (365) work days after the date of the accident, without drawing on their sick bank, for any one (1) injury. These days need not be consecutive. For example, an officer injured in the course of employment, who is off for two hundred (200) days because of said injury, and returns to work, would still have one hundred sixty-five (165) days remaining to be taken at full pay, as a result of that injury. At no time, however, shall an officer be allotted additional days over and above the three hundred sixty-five (365) cumulative total limit for a re-occurrence or re-aggravation of the previous injury; rather, said re-occurrence or re-aggravation shall be considered part of the cumulative three hundred sixty-five (365) work day total noted above.

26.2 In addition to Section 26.1, the Employer and the Association shall abide by the Americans With Disabilities Act for both duty/non-duty connected illness or injury.

26.3 **Worker's Compensation.** After the three hundred sixty-five (365) day cumulative total above, injured officers may, at their option, be paid the difference between their regular wages and payment received under the provisions of the Worker's Compensation Act, to be deducted from their sick leave.

26.4 **Doctor's Report.** The Employer may require an examination for officers off sick or injured, prior to their return to work, by a doctor of the City's choice, on City time and at City expense.

26.5 **Proration for Injury or Illness.** Should officers be off any period of time due to a duty-related injury or illness, they shall receive their normal allotment of clothing allowance, vacation time, holiday pay, and longevity as per this Agreement.

ARTICLE 27

Disability Insurance

27.1 The Employer shall furnish a long term/short term disability policy. Terms shall be as follows:

- A. Short Term Disability Weekly Income for Injury or Illness. Sixty (60%) percent of weekly base rate, with no step increases, for twenty-six (26) weeks. Officers who lose time from work on account of non-duty injury or illness may utilize their available sick leave bank during the short term disability waiting period of seven (7) calendar days. Vacation time may be approved for utilization upon exhausting the available sick time based upon the sole discretion of the City Manager and/or Police Chief.
- B. Long Term Disability Weekly Income for Injury or Illness. Sixty (60%) percent of weekly base rate, with no step increases, after twenty-six (26) weeks, to a maximum duration of age sixty-five (65).

27.2 Section 27.1 applies to non-duty injury or illness only. This benefit starts with the officer's first visit to the doctor and the waiting periods outlined.

27.3 The terms and conditions of insurance policies are herein included by reference and the Employer makes and presents no assurance beyond those terms and conditions.

27.4 It is the intent of this Article that no officers are to receive compensation in excess of what they would have received during the course of normal employment.

27.5 Proration for Injury or Illness. The Employer may prorate the clothing/cleaning allowance, vacation time accrual, longevity pay, deferred compensation, and holiday pay, for officers who are off on a non-duty related injury or illness. For purposes of this section, extended leaves shall be defined as those in excess of thirty (30) consecutive calendar days. For computation of proration, officers shall be credited with a month of service if they are actively at work beyond the fifteenth (15th) of the month.

27.6 Short Term Disability. For officers on short term disability, the Employer agrees to continue the current medical and hospitalization coverage for a period not to exceed six (6) months from the date the officer went off duty on short term disability. This will be at no cost to the officer other than what is currently being paid by the officer.

ARTICLE 35

Pension Plan

35.1 A Pension Plan will be provided under the terms of Act 345 of Public Acts of 1937 as amended by the parties.

35.2 Terminated Vested Retirement.

- A. Officers with ten (10) years or more of service to the City shall be eligible for a deferred retirement on the twenty-fifth (25th) anniversary of their adjusted date of hire.
- B. Optional Retirement. Section 6a(1) of Act 345 (MCL 38.556A(1)), which provides for optional retirement pension to any member who continues service on or after the date he or she acquires fifteen (15) years of service credit shall be modified to be applicable to any member who continues in service on or after the date he or she acquires ten (10) years of service credit.
- C. Vested Retirement Benefits. A vested employee, defined as an officer with ten (10) or more years of service to the City, who terminates employment with the City prior to the date of his/her eligibility for receiving retirement benefits, shall upon the date he/she becomes eligible to receive such benefits be entitled to the pension benefits provided by this labor agreement or the agreement in effect at the time of termination. However, those employees who terminate employment with the City prior to the date of his or her eligibility for receiving retirement benefits will not be entitled to any health care, dental or life insurance benefits that are not provided under the provision of this labor agreement or the agreement in effect at the time of their retirement.
- D. If a member dies in the line of duty in the service of the Sterling Heights Police Department, leaving a surviving spouse and/or children, the spouse and/or children shall be allowed to select either of the two pension benefits listed below:

Option 1: An automatic Option 1 benefit computed in the same manner as if the member had retired effective the day preceding the date of the member's death, elected Option 1 provided for in Section 6(1)(h) of Act 345 (MCL38.556(1)(h)), and nominated the spouse as survivor beneficiary. If the deceased member had less than 25 years of service credit at the time of death, the automatic Option 1 benefits shall be computed as if the member had 25 years of service effective the day preceding the member's date of death.

ARTICLE 33

Life Insurance

33.1 Term Life Insurance and Accidental Death and Dismemberment will be carried for officers by the Employer at no cost to the officers. The City provides no guarantees or assurances regarding coverages under any policy provided by this Article. Coverage will be as follows:

- \$50,000 Face Value for Loss of Life.
- \$50,000 Face Value Policy with Accidental Death and/or Dismemberment.

In addition to the above-referenced life insurance policies, the City will provide life insurance coverage through the Michigan Association of Police in the amount of \$15,000 for the officer and \$1,500 for the officer's spouse and each dependent child.

33.2 Life Insurance for Retired Officers. Regular and duty disabled retired officers shall be provided Five Thousand (\$5,000) Dollars worth of term life insurance. The premium for said policy shall be paid by the City. This coverage shall be maintained by the Employer until the retired officer reaches the age of seventy (70).

ARTICLE 34

Liability Insurance

34.1 Liability coverage shall be provided for officers by the Employer, at no cost to the officers, to provide protection to the officers for false arrest, detention or imprisonment or malicious prosecution. Coverage will be in a minimum amount of Three Hundred Thousand (\$300,000) Dollars for each occurrence.

27.7 The City will continue a non-duty disabled officer's health coverage, when they have filed a disputed Worker's Compensation claim, for three hundred sixty-five (365) work days or until the disputed claim is decided, whichever is less. Should the injury/illness be determined to be not work related, then arrangements will be made for the officer to pay the cost for those excess months of coverage back to the City over an equal amount of time that the coverage was provided.

ARTICLE 28

Bereavement Leave

28.1 Officers shall be entitled to pay for up to five (5) calendar days, including SLD's, per funeral, to make preparations for and attend the funeral and to take care of matters subsequent to the funeral caused by the death of the following members of an officer's family: spouse, parents, children, step-children, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, spouse's grandparents, and step-father, step-mother, and any dependent member of an officer's family residing in the officer's household. Officers shall be entitled to pay for one day to attend the funeral of the following members of an officer's family: aunt, uncle, niece, and nephew. Officers shall not receive pay for any SLD's that fall during a funeral leave.

28.2 For the purposes of the above paragraph, it is understood that the time off after the funeral under the provisions of Section 28.1 is only allowed if officers have to take care of personal or business matters which were caused by the death of the member of their immediate family.

ARTICLE 29

Holidays

29.1 Holidays. Officers will be eligible to receive holiday pay under the following provisions:

- A. Officers shall earn 96 hours of holiday pay during each fiscal year. Said holidays are earned at a rate of eight (8) hours for each month from July 1 through June 30, to be paid in November of said fiscal year. The rate of holiday pay shall be based upon the officer's base rate of pay on the date payment is made. For purposes of probationary officers, or officers whose employment is terminated, the earnings of paid holidays shall be pro-rated at the rate of eight (8) hours holiday pay for each full month of employment projected through June 30. Said prorating to be commenced on the first calendar day of the month. For example, if an officer is hired July 1, the officer would receive 96 hours holiday pay at the appropriate rate paid in November. However, if the officer resigned January 5, they would have to repay the City for 40 hours holiday pay. Officers hired after the date holiday pay is granted, shall receive the prorated share on or before June 30.
- B. Effective July 1, 2008, officers shall earn 100 hours of holiday pay during each fiscal year. Said holidays will be earned at a rate of 8.33 hours for each month from July 1 through June 30, to be paid in November of said fiscal year. The rate of holiday pay shall be based upon the officer's base rate of pay on the date payment is made. For purposes of probationary officers, or officers whose employment is terminated, the earnings of paid holidays shall be pro-rated at the rate of 8.33 hours holiday pay for each month of employment projected through June 30. Said prorating to be commenced on the first of the calendar day of the month. Officers hired after the date holiday pay is granted shall receive the prorated share on or before June 30.
- C. Working on Holidays. Only "essential" officers as determined by the Chief of Police will work on holidays. All officers whose normal work schedule falls on a holiday, but are not required to work, will receive their normal rate of pay and will not have to expend any accumulated time.

ARTICLE 32

Dental

32.1 The City shall provide at no extra cost to each officer/dependent the following dental benefit or as comparable as possible. This coverage includes:

- 32.2 CLASS I - Diagnostic services, preventive services, and palative treatment are covered at seventy-five (75%) percent of reasonable charges.
- 32.3 CLASS II - Restorative, endodontic, periodontic services, oral surgery, repairs, adjustments and relining of dentures and bridges and adjunctive general services are covered at seventy-five (75%) percent of reasonable charges.
- 32.4 CLASS III - Construction and replacement of dentures and bridges are covered at seventy-five (75%) percent of reasonable charges.
- 32.5 CLASS IV - Orthodontic services are covered at fifty (50%) percent of reasonable charges.
- 32.6 Officers/dependents are entitled to maximum benefits of one thousand (\$1,000) dollars every contract year.
- 32.7 Dependents (up to age 19) have a lifetime maximum of two thousand (\$2,000) dollars available for orthodontic services.
- 32.8 The Employer reserves the right to provide benefits comparable to the coverage currently provided.
- 32.9 Dental Benefits for Retired Officers. The Employer agrees to provide to any officer/dependent, covered by this Agreement who retires, 75/25 Co-Pay Dental Plan or dental benefits comparable to those received at the time of a regular or duty disability/death retirement. The surviving spouse shall continue to receive benefits as long as he or she continues to receive a pension benefit. Dependents shall include those as defined by the dental care provider.

- E. Upon the job related death of any officer covered by this Agreement, the City shall provide, at no cost to the surviving family, a medical and hospitalization policy for the family of the deceased as was provided at the time of the death.
- F. Retired officers may participate in the Health Care Allowance Program subject to the same terms and conditions per Sections 31.5 and 31.6, unless the officer's spouse received health coverage from the Employer. In such cases the Employer will only provide one type of medical coverage.
- G. Retired officers may participate in the offered COPS Trust or HMO coverage as provided in Section 31.1, but shall pay any additional costs in excess of the base coverage.

31.9 Retirement Health Savings Plan. Effective with the signing of this Agreement and subject to Section 31.10, the City will adopt the VantageCare Retirement Health Savings (RHS) Plan administered through ICMA-RC allowing officers to accumulate assets to pay for medical expenses in retirement on a tax-free basis. For officers hired after July 1, 2006, both the Employer and the officer will be required to contribute \$1,250 on an annual basis (prorated with each biweekly pay) to this Plan.

31.10 The adoption of the ICMA-RC RHS Plan is conditioned upon a private letter ruling issued by the Internal Revenue Service (IRS). If any substantive portion of the private letter ruling invalidates the current plan parameters as provided by ICMA-RC, the parties agree to reopen this section of the collective bargaining agreement to negotiate and review all retiree health care funding mechanisms, including VEBA's. The private letter ruling shall be requested within 60 days from the ratification of the agreement and the process shall be completed within 12 months from the date of request; however, due to extenuating circumstance, this time limit may be extended by the parties.

Officers who work on any of the holidays listed below, shall receive double time for each hour worked on said holidays. This is in addition to all other holiday pay provisions.

New Year's Day	Martin Luther King, Jr. Day
Easter	Memorial Day
July 4th	Labor Day
Veterans' Day	Thanksgiving
Day after Thanksgiving	December 24th
Christmas Day	December 31st

- C. Overtime Work on Holidays. All overtime work on holidays, i.e., work in excess of an officer's scheduled work day, including fifteen (15) minutes for shift preparation, shall be paid at time-and-one half (1½) of the regular holiday premium double time rate. The holiday overtime rate, totaling three (3) times the base rate shall apply when overtime hours worked are attached to regularly scheduled hours which begin on the holiday. The holiday rate shall also apply to call-in situations in excess of regularly scheduled hours worked on the holiday.

Time-and-one half (1 ½) the normal premium holiday double time rate will not, however, be paid to officers in call-in situations because of sickness, vacation, or other absences of other officers. Rather, officers called in to work on a holiday on other than their scheduled day will be paid only the normal holiday premium double time rate.

ARTICLE 30

Salary and Wages

30.1 The base pay ranges and steps (as listed in Appendix A, attached hereto and made a part of this agreement) will apply to officers as indicated. Advancement to the next step in the range assigned to the class (if steps are left) will be at increments of six (6) months from officer's effective dates until the top step is reached or when authorized by the City Manager. The steps in Appendix A reflect an increase of 3.5% in 2006 and 3% in each of the subsequent four years of this contract (i.e., 2007, 2008, 2009, 2010).

ARTICLE 31

Health Benefits

31.1 The basic medical and hospitalization coverage for officers employed by the City as of February 1, 2007 shall be Blue Cross/Blue Shield Community Blue Plan 10. Appendix B titled Community Blue PPO Benefits-at-a-Glance Plan 10-A is a summary of covered services, including deductibles, co-pays, and co-pay dollar maximums.

Officers shall have the option to select Health Alliance Plan (HAP) HMO coverage, or Coalition of Public Safety (COPS) Trust Plan as an optional health care provider. The illustrative rates determined by the base coverage, currently BC/BS Community Blue Plan 10, shall be the rates used to determine any excess cost an officer would be responsible to pay. Officers electing any option that becomes more expensive than the base coverage will have the difference in illustrative rate or premium deducted from their payroll check on a monthly basis.

31.2 For all new officers hired after July 1, 2006, the basic medical and hospitalization coverage shall be Blue Cross/Blue Shield Community Blue Plan 10 as modified. Appendix C titled Community Blue PPO Benefits-at-a-Glance Plan 10-B is a summary of covered services, including deductibles, co-pays and co-pay dollar maximums. All optional health care plans will be available as indicated above. Officers electing any option that becomes more expensive than the base coverage will have the difference in illustrative rate or premium deducted from their payroll check on a monthly basis.

31.3 The City reserves the right to change the BCBSM or HAP benefit providers with 90 days prior written notice while maintaining the existing coverage levels. A new open enrollment period will be offered to employees if the City elects this right.

31.4 Effective February 1, 2007, prescription coverage will be provided by ScriptGuide Rx with a generic prescription co-pay of \$0.00 and brand name prescription co-pay of \$15.00. After one year (February 1, 2008), the City reserves the right to solicit proposals for pharmacy services that provide comparable benefit coverage.

31.5 **Health Care Allowance.** The Employer provides a program to coordinate and to eliminate overlapping medical coverage. Officers who choose not to join an Employer sponsored health plan and whose spouse or parent has coverage, shall be paid One Thousand Five Hundred (\$1,500) Dollars each year for every year that the spouse or parent has coverage. Payments will be made annually, in December, to each officer who has not been on an Employer sponsored health care program, except that payments will be prorated monthly to meet the dates the officer first participates and/or ends participation in this program. Officers shall be required to show proof that a spouse or parent has health care coverage that includes the officer and their dependents before the officer will be declared eligible to receive the annual payment.

31.6 **Re-Enrollment Protection.** Officers whose spouse's or parent's health care plans cease to cover the officer and their dependents, must re-enroll in an Employer sponsored health care plan. In such cases, the officer shall be allowed to enroll in an Employer sponsored plan immediately subject to the appropriate health care provider's implementation.

31.7 If an officer's spouse works for the Employer or the 41-A District Court, the officer will not be eligible for any medical coverage provided by this Agreement, but will instead be provided the health care allowance of One Thousand Five Hundred (\$1,500) Dollars. If the officer's spouse elects to take the health care allowance, the officer covered by this Agreement may keep the health coverage. In no case will married City employees both receive medical coverage. All officers/dependents shall be entitled to the dental coverage.

31.8 **Health Benefits for Retirees (Regular and Duty Disabled).** The Employer agrees to provide to retired officers/dependents the Blue Cross/Blue Shield Community Blue PPO medical coverage equal to the coverage at the time of retirement, regular or duty disability retirement only. The Community Blue rider shall be added to the coverage to provide access to the national Community Blue network. Dependents shall include those as defined by the Administrative Services Agreement with the health care provider.

- A. Such coverage to be fully paid by the Employer and will be provided to the surviving spouse as long as the surviving spouse continues to receive a pension benefit. New officers hired after July 1, 2006 will be required to pay 50% of the illustrative rate for medical coverage when they retire. Such payment will be invoiced by the City for the proceeding month. If payment is not made by the 15th of the month, coverage shall be canceled effective the 1st of the following month.
- B. Once the retired officer and/or spouse reaches the age of eligibility for Medicare, they shall apply and pay for all costs associated with the appropriate Medicare programs. The City shall then be obligated to provide at its expense comparable hospitalization, , medical, and prescription coverage to supplement Medicare as provided in Section 31.1.
- C. This benefit shall continue to exist for the retired officer and/or surviving spouse for as long as they continue to receive retirement benefits under Act 345.
- D. In the event a retired officer obtains employment from an employer who provides hospitalization and medical coverage, they shall not be covered by the City's coverage for the duration of said employment.