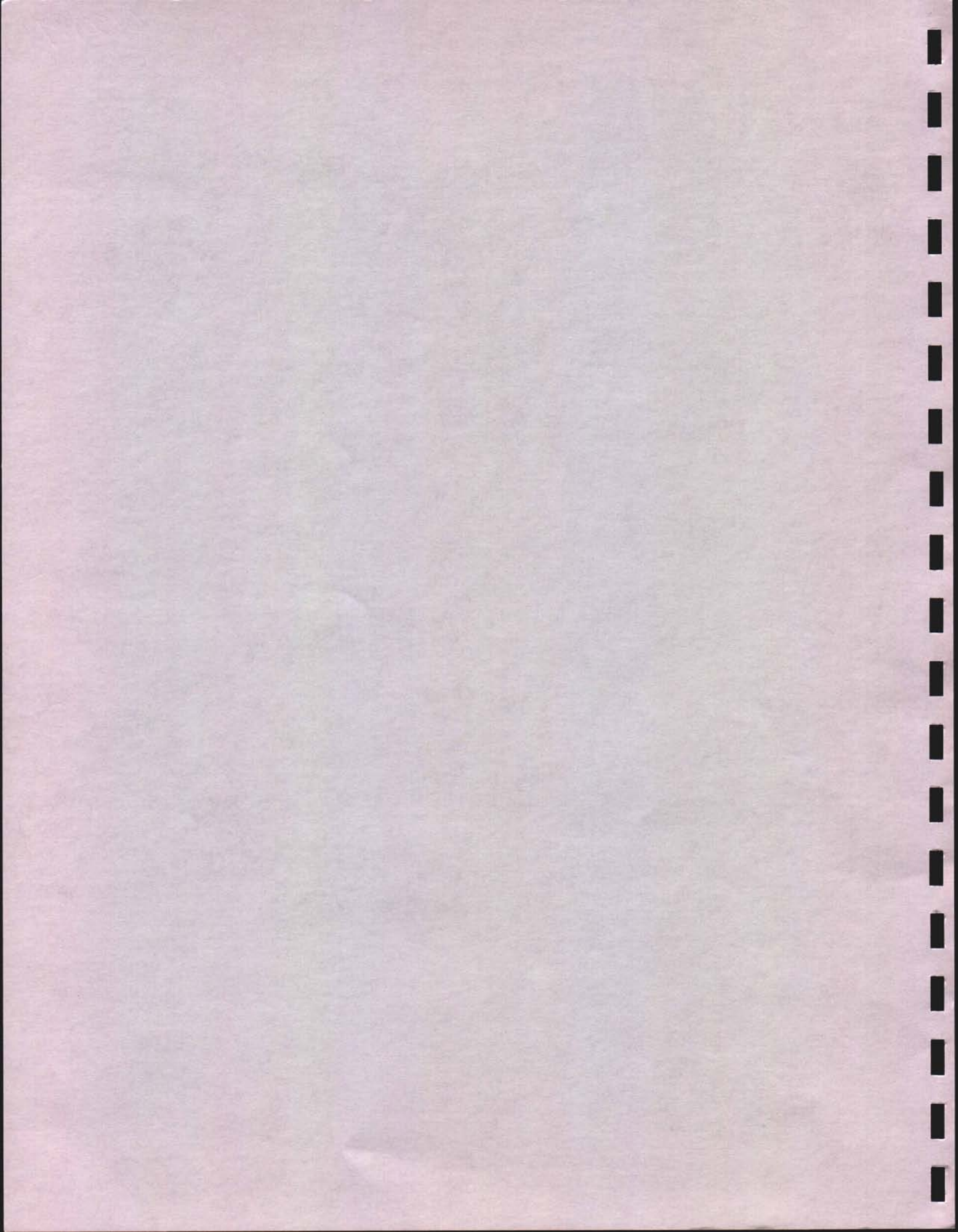


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6/30/97

MASTER AGREEMENT
BETWEEN
THE CITY OF MADISON HEIGHTS
AND
THE DEPARTMENT HEADS UNION
AFSCME COUNCIL 25
JULY 1, 1994 THRU JUNE 30, 1997

Madison Heights, City of



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AGREEMENT

THIS AGREEMENT IS HEREBY ENTERED INTO THIS THIRD DAY OF August, 1995 BETWEEN THE CITY OF MADISON HEIGHTS, HEREIN-AFTER REFERRED TO AS THE "CITY" AND THE DEPARTMENT HEADS UNION OF MADISON HEIGHTS, HEREINAFTER REFERRED TO AS THE "EMPLOYEE" OR UNION.

ARTICLE I - RECOGNITION

SECTION 1. THE CITY OF MADISON HEIGHTS DOES HEREBY RECOGNIZE THE DEPARTMENT HEADS UNION, COUNCIL 25 AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME) AS THE EXCLUSIVE REPRESENTATIVE FOR THE PURPOSE OF COLLECTIVE BARGAINING IN RESPECT TO RATES OF PAY, WAGES, HOURS OF EMPLOYMENT AND OTHER CONDITIONS OF EMPLOYMENT FOR ALL DEPARTMENT HEADS, (EXCEPT THE DEPUTY CITY MANAGER, ASSISTANT CITY MANAGER, AND CITY TREASURER) THE DEPUTY CHIEF OF POLICE, AND THE DEPUTY SUPERINTENDENT OF PUBLIC SERVICES.

SECTION 2. THE CITY WILL NOT INTERFERE WITH, DISCOURAGE, RESTRAIN, NOR COERCE, THE UNION MEMBERS BECAUSE OF THEIR MEMBERSHIP IN THE UNION OR ANY LAWFUL ACTIVITIES THEREIN. NOR SHALL THE CITY ENCOURAGE MEMBERSHIP IN SAID UNION. THE UNION HEREBY AGREES THAT IT WILL NOT DISCOURAGE, RESTRAIN NOR COERCE ANY CITY EMPLOYEE NOT BELONGING TO THE UNION FROM DOING THEIR LEGALLY ASSIGNED WORK ARISING OUT OF THE COURSE OF THEIR EMPLOYMENT WITH THE CITY.

SECTION 3. ONLY FULL TIME PERMANENT EMPLOYEES THAT COME WITHIN THE JURISDICTION OF THIS AGREEMENT WILL BE REPRESENTED BY THIS UNION.

ARTICLE II - REPRESENTATION

SECTION 1. THE UNION SHALL BE REPRESENTED AT ALL NEGOTIATIONS BY NOT MORE THAN FOUR (4) REPRESENTATIVES OF THE UNION. HOWEVER, ONLY TWO (2) MEMBERS SHALL BE PAID BY THE CITY AND ONLY FOR HOURS THEY WOULD OTHERWISE WORK. SAID COMMITTEE SHALL, PRIOR TO NEGOTIATIONS BE AUTHORIZED BY THE UNION TO BARGAIN FOR THE INDIVIDUALS IN THE UNION AND SHALL BE ABLE TO EXECUTE AGREEMENTS BINDING ON THE MEMBERS OF THIS UNION IN THEIR DEALINGS WITH THE CITY. THE UNION SHALL GIVE THE NAMES OF THE COMMITTEE MEMBERS TO THE MANAGER'S OFFICE, IN WRITING, AT THE TIME, OR BEFORE, THE UNION REQUESTS NEGOTIATIONS. THE UNION SHALL NEGOTIATE WITH SUCH REPRESENTATIVES OF THE CITY GOVERNMENT AS ARE PROVIDED BY RESOLUTION, ORDINANCE, OR POLICY, ADOPTED BY THE CITY COUNCIL, CITY OF MADISON HEIGHTS.

ARTICLE III - UNION SECURITY

SECTION 1. TO THE EXTENT THAT THE LAWS OF THE STATE OF MICHIGAN PERMIT, IT IS AGREED THAT:

- A) EMPLOYEES COVERED BY THIS AGREEMENT AT THE TIME IT BECOMES EFFECTIVE AND WHO ARE MEMBERS OF THE UNION AT THAT TIME SHALL BE REQUIRED TO CONTINUE MEMBERSHIP IN THE UNION OR PAY A MONTHLY SERVICE CHARGE FOR THE DURATION OF THIS AGREEMENT.
- B) EMPLOYEES COVERED BY THIS AGREEMENT AS DEFINED IN THE ARTICLE ENTITLED, "RECOGNITION", WHO ARE NOT MEMBERS OF THE UNION AT THE TIME IT BECOMES EFFECTIVE AND WHO HAVE BEEN EMPLOYED FOR A PERIOD OF THIRTY (30) DAYS, WHO DO NOT MAKE APPLICATION FOR MEMBERSHIP IN THE

ARTICLE III - UNION SECURITY

(CONTINUED)

UNION WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE OF THIS AGREEMENT, SHALL, COMMENCING WITH THE FIRST BI-WEEKLY PAYROLL PERIOD THEREAFTER AND FOR THE DURATION OF THIS AGREEMENT, PAY TO THE UNION A SERVICE CHARGE IN AN AMOUNT EQUAL TO THE REGULAR MONTHLY DUES AS A CONTRIBUTION TOWARD THE ADMINISTRATION OF THIS AGREEMENT.

- C) EMPLOYEES COVERED BY THIS AGREEMENT AS DEFINED IN THE ARTICLE ENTITLED, "RECOGNITION", WHO ARE NOT MEMBERS OF THE UNION AT THE TIME IT BECOMES EFFECTIVE AND WHO HAVE BEEN EMPLOYED FOR LESS THAN THIRTY (30) DAYS, AND EMPLOYEES HIRED, REHIRED, OR TRANSFERRED INTO THE BARGAINING UNIT AFTER THE EFFECTIVE DATE OF THIS AGREEMENT, WHO DO NOT MAKE APPLICATION FOR MEMBERSHIP IN THE UNION WITHIN THIRTY (30) DAYS OF SERVICE, SHALL, COMMENCING WITH THE FIRST BI-WEEKLY PAYROLL PERIOD THEREAFTER AND FOR THE DURATION OF THIS AGREEMENT, PAY TO THE UNION THE SERVICE CHARGE DEFINED IN B) ABOVE.

SECTION 2. ANY EMPLOYEE WHO FAILS TO COMPLY WITH THE PROVISIONS SET FORTH ABOVE SHALL, AT THE REQUEST OF THE UNION TO THE EMPLOYER, BE DISCHARGED FROM THE SERVICE OF THE EMPLOYER TEN (10) DAYS AFTER SUCH EMPLOYEE RECEIVES NOTIFICATION FROM THE EMPLOYER OF SUCH EMPLOYEE'S VIOLATION OF THIS ARTICLE.

THE UNION WILL PROTECT, INDEMNIFY AND SAVE HARMLESS THE EMPLOYER FROM ALL CLAIMS, DEMANDS, SUITS, AND OTHER FORMS OF LIABILITY BY REASON OF ACTION TAKEN BY THE CITY FOR THE PURPOSE OF COMPLYING WITH THIS SECTION.

SECTION 3. THE CITY WILL DEDUCT, UPON SIGNED AUTHORIZATION BY THE REQUESTING EMPLOYEE AND COUNTERSIGNED BY THE UNION OFFICER, ALL DUES OR SERVICE CHARGES AS ESTABLISHED BY THE UNION AND FORWARD SAME TO THE UNION'S TREASURER EACH MONTH.

SECTION 4. THE UNION AGREES TO INDEMNIFY AND SAVE THE CITY HARMLESS AGAINST ANY AND ALL CLAIMS, SUITS OR OTHER FORMS OF LIABILITY ARISING OUT OF ITS DEDUCTIONS FROM ANY EMPLOYEE'S PAY OF UNION DUES OR COLLECTIVE BARGAINING SERVICE FEES AND INITIATION FEES. THE UNION ASSUMES FULL RESPONSIBILITY FOR THE DISPOSITION OF THE DEDUCTIONS SO MADE ONCE THEY HAVE BEEN REMITTED TO SAID UNION.

ARTICLE IV - HEALTH INSURANCE

SECTION 1. HOSPITALIZATION INSURANCE

- A) THE CITY SHALL PROVIDE, AT THE OPTION OF THE EMPLOYEE, BLUE CARE NETWORK OR BLUE CROSS/BLUE SHIELD, MVF-1, MASTER MEDICAL WITH PRESCRIPTION RIDER, F.A.E. RIDER, MANDATORY SECOND SURGICAL OPINION PROGRAM RIDER (PCES-2), SEMI-PRIVATE, FULLY PAID FOR BY THE EMPLOYER FOR ALL EMPLOYEES COVERED UNDER THIS CONTRACT AND THEIR FAMILIES PROVIDED, HOWEVER, THAT IF THE EMPLOYEE'S SPOUSE IS A CITY EMPLOYEE, THE HOSPITALIZATION INSURANCE PROVIDED HEREIN SHALL BE LIMITED TO ONE PLAN (BC/BS OR HCN) AND IN NO CASE SHALL SUCH EMPLOYEES BE ENTITLED TO COVERAGE UNDER BOTH PLANS.

A COORDINATION OF BENEFITS PROGRAM WITH DISCLOSURE OF OTHER CARRIERS SHALL BE INSTITUTED. EACH EMPLOYEE SHALL WITHIN ONE MONTH AFTER RATIFICATION OF THIS AGREEMENT PROVIDE THE CITY WITH HIS OR HER SPOUSE'S NAME, SOCIAL SECURITY NUMBER, EMPLOYER, AND THE NAME OF ANY

SECTION 1. HOSPITALIZATION INSURANCE

HOSPITALIZATION PLAN WHICH IS AVAILABLE TO THE SPOUSE AT PLACE OF EMPLOYMENT. THE CITY IN CONJUNCTION WITH BLUE CROSS/BLUE SHIELD WILL IMPLEMENT COORDINATION OF BENEFITS PURSUANT TO M.C.L.A. 550.251, ET. SEQ. AND THE RULES OF THE STATE INSURANCE COMMISSION BOTH OF WHICH ARE HEREBY INCORPORATED BY REFERENCE AS THOUGH FULLY STATED HEREIN.

BLUE CROSS DEFINES FAMILY TO INCLUDE YOU AND/OR YOUR SPOUSE AND YOUR CHILDREN THROUGH THE END OF THE CALENDAR YEAR IN WHICH THEY REACH THEIR NINETEENTH (19TH) BIRTHDAY.

EMPLOYEES MAY, AT THEIR OPTION AND AT THEIR OWN EXPENSE, UPON PROPER NOTIFICATION TO THE TREASURER'S OFFICE, PROVIDE PROTECTION FOR OTHER DEPENDENTS UNDER THE FAMILY CONTINUANCE AND SPONSORED DEPENDENTS' RIDERS, SUCH AS: PARENTS, BLOOD RELATIVES, MEMBERS OF THEIR HOUSEHOLD, AND FOR CHILDREN OVER NINETEEN (19) YEARS OF AGE. MARRIED EMPLOYEES WHOSE SPOUSES HAVE HOSPITALIZATION AND SURGICAL PROTECTION COVERING THEIR ENTIRE FAMILY WHICH IS FULLY PAID BY THE SPOUSE'S EMPLOYER, WILL NOT BE COVERED BY BLUE CROSS/BLUE SHIELD BY THE CITY, INASMUCH AS THEIR FAMILY IS ALREADY FULLY PROTECTED AT NO COST TO THEM. IN ALL OTHER CASES, THE CITY WILL PROVIDE FULL PROTECTION TO THE EMPLOYEE AND THE EMPLOYEE'S FAMILY TO THE EXTENT NECESSARY TO ENSURE THAT HOSPITALIZATION AND SURGICAL PROTECTION WILL NOT INVOLVE A MONTHLY CHARGE TO THE EMPLOYEE.

- B) AN EMPLOYEE MAY ELECT TO RECEIVE A ONE-TIME ONLY TAXABLE PAYMENT OF \$2,000 FROM THE CITY IN EXCHANGE FOR THE EMPLOYEE'S WITHDRAWAL FROM THE CITY'S HEALTH INSURANCE PLAN INDEFINITELY. THIS "OPT OUT" PROGRAM APPLIES ONLY TO EMPLOYEES WHO, AS OF THE 1995 ENROLLMENT PERIOD, HAVE TWO-PERSON OR FAMILY COVERAGE IN EITHER OF THE BLUE CARE NETWORK OR BLUE CROSS/BLUE SHIELD INSURANCE PLANS. ELIGIBILITY IS ALSO CONTINGENT UPON THE EMPLOYEE PROVIDING PROOF TO THE CITY THAT HE/SHE HAS HEALTH INSURANCE COVERAGE UNDER THEIR SPOUSE'S HEALTH INSURANCE PLAN. CITY EMPLOYEES WHO ARE MARRIED TO EACH OTHER ARE NOT ELIGIBLE TO RECEIVE THE "OPT OUT" INCENTIVE.

AN EMPLOYEE MAY ELECT TO BECOME REINSTATED TO THE CITY'S HEALTH INSURANCE PLAN PRIOR TO THE NEXT REGULAR ANNUAL ENROLLMENT PERIOD IF AND ONLY IF HE/SHE PROVIDES PROOF TO THE CITY THAT HE/SHE HAS LOST HEALTH INSURANCE COVERAGE. THE EMPLOYEE IS NOT ELIGIBLE TO BECOME REINSTATED TO THE CITY'S PLAN PRIOR TO THE NEXT REGULAR ANNUAL PERIOD, UNLESS HE/SHE HAS LOST HEALTH INSURANCE COVERAGE.

IN ALL CASES WHERE AN EMPLOYEE WHO RECEIVED THE "OPT OUT" PAYMENT WISHES TO BECOME REINSTATED ON THE CITY'S HEALTH INSURANCE PLAN DURING THE TERM OF THIS AGREEMENT, THE "OPT OUT" PAYMENT SHALL BE AMORTIZED OVER THE THIRTY-SIX MONTH DURATION OF THIS AGREEMENT BY REQUIRING THE EMPLOYEE TO REMIT TO THE CITY OR HAVE DEDUCTED FROM HIS/HER PAY A PRO-RATED AMOUNT OF THE \$2,000 "OPT OUT" PAYMENT BASED ON THE NUMBER OF MONTHS OUT OF THE THIRTY-SIX MONTH DURATION OF THIS AGREEMENT DURING WHICH THE EMPLOYEE WAS OFF THE CITY'S PLAN. FOR EXAMPLE, IF AN EMPLOYEE OPTED BACK ON THE CITY'S PLAN FIFTEEN MONTHS AFTER RECEIVING THE INCENTIVE PAYMENT, THE EMPLOYEE WOULD OWE THE CITY AN AMOUNT EQUAL TO 21/36THS OF THE \$2,000 "OPT OUT" PAYMENT.

SECTION 1. HOSPITALIZATION INSURANCE

THE "OPT OUT" PAYMENT SHALL NOT BE COUNTED IN FINAL AVERAGE COMPENSATION FOR THE PURPOSE OF RETIREMENT.

- C) AS AN INCENTIVE FOR EMPLOYEES TO CHOOSE THE BLUE CARE NETWORK HMO INSURANCE (OR ALTERNATIVE PROVIDED BY THE CITY PURSUANT TO ARTICLE IV, SECTION 5) RATHER THAN TRADITIONAL BLUE CROSS/BLUE SHIELD, ANY EMPLOYEE WHO HAS ELECTED HMO COVERAGE AS OF JUNE 15, 1995 SHALL BE ENTITLED TO RECEIVE A \$500 TAXABLE INCENTIVE PAYMENT COVERING THE PERIOD FROM JULY 1, 1995 THROUGH JUNE 30, 1996. SIMILARLY, ANY EMPLOYEE WHO HAS ELECTED HMO COVERAGE AS OF JUNE 15, 1996 SHALL BE ENTITLED TO RECEIVE A \$500 TAXABLE INCENTIVE PAYMENT COVERING THE PERIOD FROM JULY 1, 1996 THROUGH JUNE 30, 1997. THE INCENTIVE PAYMENTS WILL BE MADE NO LATER THAN THE SECOND PAY IN JULY 1995 AND JULY 1996, RESPECTIVELY.

SHOULD THE EMPLOYEE SWITCH FROM HMO TO TRADITIONAL INSURANCE AT ANY TIME, THE EMPLOYEE SHALL REMIT TO THE CITY A LUMP SUM AMOUNT EQUAL TO A PRO-RATED PORTION OF THE INCENTIVE PAYMENT BASED ON THE NUMBER OF MONTHS OUT OF THE FISCAL YEAR IN WHICH THE EMPLOYEE DID NOT HAVE HMO COVERAGE. FOR EXAMPLE, IF AN EMPLOYEE SWITCHES INSURANCE FROM THE HMO TO TRADITIONAL PLAN BEGINNING DECEMBER 1, THE EMPLOYEE WOULD OWE THE CITY 7/12THS OF THE \$500 INCENTIVE PAYMENT.

THIS HMO INCENTIVE PROGRAM APPLIES TO ALL LEVELS OF COVERAGE (I.E. SINGLE, TWO-PERSON, FAMILY). EMPLOYEES WHO OPT OUT OF THE CITY'S HEALTH INSURANCE ALTOGETHER ARE NOT ELIGIBLE FOR THE HMO INCENTIVE. THE HMO INCENTIVE PAYMENT SHALL NOT BE COUNTED IN FINAL AVERAGE COMPENSATION FOR THE PURPOSE OF RETIREMENT.

- D) HOSPITALIZATION INSURANCE FOR SPOUSE OF POLICE CHIEF, DEPUTY POLICE CHIEF OR FIRE CHIEF KILLED IN THE LINE OF DUTY. THE CITY OF MADISON HEIGHTS SHALL ASSUME THE FULL COST OF HOSPITALIZATION INSURANCE FOR A SPOUSE AND ANY MINOR CHILDREN UNDER THE AGE OF 18 OF THE POLICE CHIEF, DEPUTY POLICE CHIEF OR FIRE CHIEF KILLED IN THE LINE OF DUTY. KILLED IN THE LINE OF DUTY SHALL MEAN ONE WHO DIES AS A DIRECT RESULT OF A VIOLENT ACT WHILE ENGAGED IN THE PERFORMANCE OF HIS/HER DUTIES. THE HOSPITALIZATION INSURANCE SHALL BE THE SAME AS THAT WHICH WAS IN EFFECT AT THE TIME OF THE EMPLOYEE'S DEATH.

THE CITY'S OBLIGATION TO PROVIDE HOSPITALIZATION INSURANCE FOR THE SPOUSE AND MINOR CHILDREN UNDER AGE 18 AS PROVIDED HEREIN SHALL TERMINATE UPON THE EARLIEST OF THE FOLLOWING CONDITIONS:

1. THE REMARRIAGE OF THE SURVIVING SPOUSE,
2. THE SURVIVING SPOUSE'S COHABITATION WITH AN UNRELATED ADULT MALE OR FEMALE, WHICHEVER THE CASE MAY BE,
3. THE SURVIVING SPOUSE RECEIVING HOSPITALIZATION INSURANCE FROM ANY OTHER SOURCE WHATSOEVER. TO THIS END, COORDINATION OF BENEFITS AND DISCLOSURE OF OTHER CARRIERS AS PROVIDED IN SECTION 1 OF THIS ARTICLE SHALL APPLY.

FOR PURPOSES OF THIS SECTION, A MINOR CHILD(REN) SHALL BE DEFINED AS THE NATURAL OR ADOPTIVE CHILD(REN) OF THE EMPLOYEE KILLED IN THE

SECTION 1. HOSPITALIZATION INSURANCE

LINE OF DUTY AND THE SURVIVING SPOUSE. UPON EACH MINOR CHILD ATTAINING THE AGE OF 18, THE CITY'S OBLIGATION TO PROVIDE HOSPITALIZATION INSURANCE SHALL CEASE.

- E) (1) THE CITY OF MADISON HEIGHTS WILL PAY BLUE CROSS-BLUE SHIELD ON A CERTIFIED PLAN FOR SEMI-PRIVATE SERVICE FOR ANY FULL TIME MEMBER OF THE BARGAINING UNIT AND FAMILY WHO IS DISABLED AND UNABLE TO WORK AS A RESULT OF AN INJURY ARISING OUT OF THE COURSE OF EMPLOYMENT FOR A MAXIMUM PERIOD OF TWO YEARS.
- (2) THE CITY OF MADISON HEIGHTS WILL PAY FOR THE SAME BLUE CROSS-BLUE SHIELD COVERAGE SET FORTH IN C-1 ABOVE FOR ANY MEMBER AND FAMILY WITH AT LEAST ONE YEAR OF SERVICE WHO IS DISABLED AND UNABLE TO WORK AS A RESULT OF A NON-DUTY RELATED INJURY OR ILLNESS UP TO A MAXIMUM PERIOD OF TWO (2) YEARS BEGINNING THE MONTH AFTER THE MEMBER IS DISABLED.
- (3) FOR PURPOSES OF *THIS SECTION, PARTS 1 AND 2*, WHETHER OR NOT A MEMBER IS DISABLED WILL BE DETERMINED ACCORDING TO STANDARDS ESTABLISHED IN THE MICHIGAN WORKER'S DISABILITY COMPENSATION ACT.

F) BLUE CROSS/BLUE SHIELD FOR RETIREES

THE CITY OF MADISON HEIGHTS SHALL ASSUME, AT THE RETIREE'S OPTION, THE FULL COST OF BLUE CARE NETWORK OR BLUE CROSS/BLUE SHIELD INSURANCE FOR MVF-1, SEMI-PRIVATE AND PRESCRIPTION DRUG RIDER, AND FOR MASTER MEDICAL INSURANCE FOR ALL FULL TERM RETIREES AND THEIR SPOUSES. FULL TERM RETIREMENT BEING DEFINED AS TWENTY-FIVE (25) YEARS OF SERVICE WITH THE CITY.

- (1) IF A RETIREE OBTAINS EMPLOYMENT ELSEWHERE, SAID RETIREE WILL HAVE THE OPTION OF OBTAINING HOSPITALIZATION WITH THE SUBSEQUENT EMPLOYER OR RETAINING THE COVERAGE AS ENUMERATED ABOVE. IN NO EVENT WILL THE EMPLOYEE BE ALLOWED TO RETAIN TWO OR MORE SEPARATE HOSPITALIZATION PLANS. IN THE EVENT THE RETIREE OBTAINS, AT HIS OPTION, HOSPITALIZATION INSURANCE ELSEWHERE, THERE SHALL BE NO LIABILITY WITH THE CITY. UPON TERMINATION OF SUBSEQUENT EMPLOYMENT THE RETIREE, AFTER GIVING NOTICE TO THE CITY, WILL RESUME WITH THE CITY, RETIREE HOSPITALIZATION INSURANCE AS WAS IN EFFECT AT THE TIME OF HIS RETIREMENT.
- (2) UPON THE DEATH OF A RETIREE, RETIRING PRIOR TO DECEMBER 9, 1991, THE CITY'S OBLIGATION TO PROVIDE HOSPITALIZATION INSURANCE TO THE SPOUSE SHALL CEASE. THE CITY SHALL CONTINUE TO PROVIDE HOSPITALIZATION INSURANCE TO THE SPOUSE, UPON THE DEATH OF A RETIREE RETIRING ON OR AFTER DECEMBER 9, 1991, UNLESS THE SPOUSE SHALL REMARRY. IF THE SPOUSE OF A RETIREE, ENTITLED TO CONTINUED HOSPITALIZATION INSURANCE COVERAGE UNDER THIS SUBSECTION UPON THE RETIREE'S DEATH, OBTAINS EMPLOYMENT ELSEWHERE FOLLOWING THE RETIREE'S DEATH, SAID SPOUSE SHALL HAVE THE OPTION OF OBTAINING HOSPITALIZATION INSURANCE WITH THE SUBSEQUENT EMPLOYER OR RETAINING THE COVERAGE ENUMERATED ABOVE.

SECTION 1. HOSPITALIZATION INSURANCE

IN NO EVENT WILL THE SPOUSE BE ALLOWED TO RETAIN TWO OR MORE SEPARATE HOSPITALIZATION INSURANCE PLANS. IN THE EVENT THE SPOUSE OBTAINS, AT THE SPOUSE'S OPTION, HOSPITALIZATION INSURANCE ELSEWHERE, THERE SHALL BE NO LIABILITY WITH THE CITY. UPON TERMINATION OF SUBSEQUENT EMPLOYMENT, THE SPOUSE, AFTER GIVING NOTICE TO THE CITY, MAY RESUME WITH THE CITY, RETIREE HOSPITALIZATION INSURANCE AS WAS IN EFFECT AT THE TIME OF THE RETIREE'S RETIREMENT.

SECTION 2. DENTAL INSURANCE

THE CITY SHALL PROVIDE DENTAL INSURANCE FOR EMPLOYEES AND DEPENDENTS (SPOUSES AND ELIGIBLE CHILDREN) TO 75% OF CLASS I AND 75% OF CLASS II WITH A MAXIMUM OF \$1000 PER PERSON.

THE BASIC COVERAGE AS HEREIN PROVIDED IS CLASS I BENEFIT, BASIC DENTAL SERVICES, 75%; CLASS II BENEFIT, PROSTHADONTIC DENTAL SERVICES, 75%.

THE MAXIMUM CONTRACT BENEFIT PER CONTRACT YEAR IS \$1000 PER PERSON PER CONTRACT YEAR FOR CLASS I AND CLASS II BENEFITS.

SECTION 3. OPTICAL INSURANCE

THE CITY OF MADISON HEIGHTS SHALL PAY THE COST FOR THE BASIC EYE PROGRAM AS PROVIDED BY COOPERATIVE SERVICES, 7404 WOODWARD, DETROIT, MICHIGAN.

BENEFITS: EACH ELIGIBLE EMPLOYEE, SPOUSE, ALL DEPENDENT CHILDREN UNDER 19 YEARS OF AGE AND BONA FIDE DEPENDENT COLLEGE STUDENTS ARE ENTITLED TO AN EYE EXAMINATION AND A PAIR OF GLASSES, IF NEEDED, ONCE EVERY TWO YEARS.

THIS PLAN PROVIDES SINGLE VISION LENSES OR FOR WEARERS OF BIFOCALS A CHOICE OF KRYPTOK OR D-SEG 25MM BIFOCAL LENSES OR TRIFOCAL LENSES, IN GLASS OR PLASTIC. THERE IS AN ALLOWANCE OF \$20.00 TOWARDS ANY FRAME.

OR FOR PATIENTS WHO PREFER CONTACT LENSES TO GLASSES, THERE WILL BE AN ALLOWANCE TOWARDS THE TOTAL COST - A REGULAR PRE-CONTRACT EXAM PLUS \$40.00 TOWARDS CONTACT LENSES. THIS EXAM IS A NECESSARY PREREQUISITE TO DETERMINE IF CONTACT LENSES ARE SUITABLE FOR THE PATIENT.

OR FOR POST CATARACT PATIENTS, THERE WILL BE A \$50.00 ALLOWANCE TOWARDS THE TOTAL COST FOR LENTICULAR LENSES.

SURCHARGES: A PATIENT SELECTING OTHER ITEMS AVAILABLE IN THE OPTICAL OFFICE BUT NOT INCLUDED IN THE PLAN (I.E., OTHER MULTIFOCAL LENS TYPES, OVERSIZE LENSES, MORE EXPENSIVE FRAME STYLES OR INDOOR TINTS) WOULD PAY HIS/HER OWN SURCHARGE. A PATIENT SELECTING FRAMES NOT INCLUDED IN THE FUNDED PLAN WOULD PAY THE MARKED PRICE MINUS \$20.00.

THERE WILL BE A LENS SURCHARGE ON HEAVY PRESCRIPTIONS WHEN THE LENS POWER EXCEEDS 10.00 DIOPTERS SPHERICAL AND/OR 4.00 DIOPTERS CYLINDRICAL. GLASSES WILL BE AVAILABLE TO WEARERS OF CORRECTIVE LENSES ONLY. THIS PLAN DOES NOT COVER OUTDOOR TINTS (SUNGLASSES).

ARTICLE IV - HEALTH INSURANCE

(CONTINUED)

SECTION 4. PHYSICAL EXAMINATION REIMBURSEMENT

THE EMPLOYEE AGREES THAT EACH EMPLOYEE MAY SUBMIT TO A COMPLETE PHYSICAL EXAMINATION EACH YEAR.

THE EXAMINATION SHALL BE PERFORMED BY A PHYSICIAN AND SHALL INCLUDE THE FOLLOWING:

- 1) CHEST X-RAY
- 2) BLOOD SMA 19 - ROUTINE LAB TEST
- 3) EYE EXAMINATION (MAY INCLUDE EXAMINATION BY OPHTHALMOLOGIST. THE \$125.00 REIMBURSEMENT SET FORTH HEREIN MAY, AT THE EMPLOYEE'S OPTION, BE USED FOR CONTACT LENSES OR EYEGLASSES)
- 4) CARDIOGRAM
- 5) BLOOD PRESSURE
- 6) URINALYSIS

THE EMPLOYER SHALL ASSUME ALL COSTS INVOLVED FOR EACH EMPLOYEE OBTAINING SAID PHYSICAL EXAMINATION, NOT TO EXCEED ONE HUNDRED TWENTY-FIVE DOLLARS (\$125.00).

SECTION 5. ALTERNATE INSURANCE COVERAGE

THE CITY HAS THE RIGHT TO GO TO AN ALTERNATIVE INSURANCE CARRIER PROVIDED COVERAGE IS EQUAL TO OR GREATER THAN THAT PROVIDED BY CURRENT INSURANCE COVERAGE.

ARTICLE V - FAMILY AND MEDICAL LEAVE

NOTHING IN THIS AGREEMENT SHALL SUPERSEDE THE CITY'S POLICY TO COMPLY WITH THE FEDERAL FAMILY AND MEDICAL LEAVE ACT (FMLA).

IF, DURING THE FMLA LEAVE PERIOD, THE EMPLOYEE IS ABLE TO USE ACCRUED LEAVE TIME TO ACHIEVE THE REQUIRED NUMBER OF NORMAL SERVICE DAYS IN THE MONTH (I.E. EIGHT (8) DAYS FOR 7.5-HOUR AND 8 HOUR PERSONNEL), THE EMPLOYEE SHALL CONTINUE TO RECEIVE ALL BENEFITS. IF, DURING THE FMLA PERIOD, THE EMPLOYEE IS ON UNPAID STATUS AND IS UNABLE TO ACHIEVE THE REQUIRED NUMBER OF NORMAL SERVICE DAYS IN THE MONTH AS DEFINED HEREIN, THE EMPLOYEE SHALL RECEIVE GROUP HEALTH INSURANCE BENEFITS (I.E. HOSPITALIZATION, DENTAL, OPTICAL) AND LIFE INSURANCE BENEFITS ONLY.

ARTICLE VI - WORKER'S DISABILITY COMPENSATION

PROVISIONS OF THE MICHIGAN WORKER'S DISABILITY COMPENSATION ACT SHALL APPLY IN ALL ACCIDENTS OR INJURIES TO MEMBERS IN THE LINE OF DUTY. EACH MEMBER OCCUPYING A POSITION OF PERMANENT FULL TIME EMPLOYEE, WHO IS UNABLE TO WORK AS A RESULT OF AN INJURY ARISING OUT OF THE COURSE OF HIS EMPLOYMENT, SHALL RECEIVE FULL PAY FOR THE ONE (1) WEEK WAITING PERIOD REQUIRED BY THE WORKER'S DISABILITY COMPENSATION ACT, WHICH SHALL NOT BE CHARGEABLE TO THE EMPLOYEE'S SICK LEAVE, PROVIDED, THAT IF AN EMPLOYEE DOES RECEIVE WORKER'S COMPENSATION FOR THE FIRST WEEK OF INJURY, HE/SHE SHALL PAY OVER SUCH COMPENSATION TO THE CITY OF MADISON HEIGHTS. FURTHER PAYMENT SHALL BE THE AMOUNT PROVIDED UNDER THE MICHIGAN WORKER'S DISABILITY COMPENSATION ACT, TO WHICH THE CITY SHALL ADD AN AMOUNT IN ADDITION TO THE AMOUNT BEING RECEIVED FROM THE WORKER'S DISABILITY COMPENSATION PAYMENT, WHICH SHALL EQUAL NINETY PERCENT (90%) OF MEMBER'S

ARTICLE VI - WORKER'S DISABILITY COMPENSATION

(CONTINUED)

NET PAY AT THE TIME OF THE INJURY. NET PAY REFERRED TO HEREIN SHALL BE THE ANNUAL GROSS BASE LESS FEDERAL AND STATE INCOME TAXES, AT THE TIME OF THE INJURY. THE EMPLOYEE SHALL HAVE THE OPTION OF USING ACCUMULATED SICK TIME OR VACATION TIME TO MAKE UP THE DIFFERENCE BETWEEN NINETY PERCENT (90%) AND ONE HUNDRED PERCENT (100%) OF NET PAY. SICK PAY SHALL THEN BE CHARGED AT ONE-TENTH (1/10TH) OF A DAY FOR EACH DAY USED. ONCE ESTABLISHED, THE AMOUNT PAID BY THE CITY SHALL NOT INCREASE AND TWO (2) YEARS FROM THE DATE OF INJURY ALL CITY PAYMENTS AND BENEFITS SHALL CEASE. IF WITHIN SAID TWO (2) YEAR PERIOD, THE MEMBER SHALL BECOME QUALIFIED FOR ASSISTANCE UNDER HIS/HER RETIREMENT PROGRAM, OR IF THE MEMBER BECOMES ABLE TO WORK IN SOME BUSINESS OR OCCUPATION OTHER THAN HIS/HER ESTABLISHED OCCUPATION WHICH WILL PAY AN AMOUNT SUBSTANTIALLY EQUAL TO OR MORE THAN THAT ALLOWED BY HIS/HER RETIREMENT PROGRAM FOR TOTAL DISABILITY RETIREMENT, THE CITY'S AMOUNT SHALL BE TERMINATED. ABILITY TO WORK IN ANOTHER BUSINESS OR OCCUPATION WILL BE DETERMINED BY A MEDICAL COMMITTEE COMPOSED OF ONE DOCTOR SELECTED BY THE CITY, ONE DOCTOR SELECTED BY THE DEPARTMENT HEADS UNION, AND A THIRD MEDICAL DOCTOR SELECTED BY THE FIRST TWO DOCTORS. THE CITY AND THE DEPARTMENT HEADS UNION SHALL EACH PAY FOR THEIR OWN SELECTED DOCTOR AND SHALL SHARE EQUALLY THE COST OF THE THIRD DOCTOR. FAILURE ON THE PART OF THE DISABLED MEMBER TO SUBMIT TO SUCH MEDICAL EXAMINATION SHALL AUTOMATICALLY TERMINATE THE CITY'S OBLIGATION HEREUNDER.

ARTICLE VII - LIFE INSURANCE

SECTION 1. EMPLOYEES COVERED BY THIS AGREEMENT SHALL BE ENTITLED TO GROUP LIFE INSURANCE VALUED AT \$25,000, FULLY PAID FOR BY THE EMPLOYER. THE ENTIRE COST OF THE PREMIUMS FOR SAME SHALL BE ASSUMED AND PAID BY THE CITY OF MADISON HEIGHTS. ALL EMPLOYEES COVERED BY THIS AGREEMENT MAY PURCHASE ADDITIONAL LIFE INSURANCE THROUGH THE CITY, IF DESIRED, TO THE EXTENT PERMITTED BY THE CITY'S INSURANCE CARRIER. THE ADDITIONAL PREMIUM WILL BE DEDUCTED FROM THE EMPLOYEE'S PAY. THE CITY WILL PAY THE NECESSARY PREMIUMS FOR CONTINUATION OF INSURANCE FOR ANY EMPLOYEE DISABLED, IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN THE GROUP INSURANCE POLICY IF SAID EMPLOYEE HAS BEEN IN THE EMPLOY FOR ONE CONTINUOUS YEAR PRIOR TO THE DISABLEMENT. IN THE EVENT THAT AN EMPLOYEE IS PERMANENTLY DISABLED, THE INSURANCE SHALL BE PAID BY THE CITY UP TO THE RETIREMENT AGE OF THE EMPLOYEE, PROVIDED THAT THE EMPLOYEE IS UNABLE TO OBTAIN OTHER EMPLOYMENT REASONABLY EQUAL TO HIS/HER CITY EMPLOYMENT AT THE TIME OF DISABLEMENT.

SECTION 2. LIFE INSURANCE AT RETIREMENT. COMMENCING JULY 1ST, 1976, AND UPON RETIREMENT WITH A CITY PENSION, EACH EMPLOYEE SHALL BE ENTITLED TO GROUP LIFE INSURANCE VALUED AT \$2,500.00. THE ENTIRE COST OF PREMIUMS FOR SAME SHALL BE ASSUMED AND PAID BY THE CITY OF MADISON HEIGHTS.

EFFECTIVE WITH RETIREMENTS ON OR AFTER JULY 1, 1995, THE RETIRING EMPLOYEE SHALL BE ENTITLED TO GROUP LIFE INSURANCE VALUED AT \$10,000.

ARTICLE VIII - LONGEVITY PAY

ALL EMPLOYEES COVERED BY THIS AGREEMENT WHO HAVE COMPLETED FIVE (5) OR MORE YEARS OF SERVICE ON A FULL TIME BASIS SHALL BE PAID LONGEVITY PAY ON THEIR ANNIVERSARY DATE ACCORDING TO THE FOLLOWING SCHEDULE:

ARTICLE VIII - LONGEVITY PAY

(CONTINUED)

- 5 YEARS - BUT LESS THAN 10 YEARS - 2% OF BASE SALARY
- 10 YEARS - BUT LESS THAN 15 YEARS - 4% OF BASE SALARY
- 15 YEARS - BUT LESS THAN 20 YEARS - 6% OF BASE SALARY
- 20 YEARS - AND OVER - 8% OF BASE SALARY

ARTICLE IX - VACATIONS

SECTION 1. ALL EMPLOYEES UNDER THIS AGREEMENT SHALL BE GRANTED A VACATION WITHOUT DEDUCTION OF PAY ON THEIR ANNIVERSARY DATE.

PROBATIONARY EMPLOYEES SHALL EARN NO VACATION PRIVILEGES, HOWEVER, AT THE COMPLETION OF THEIR PROBATIONARY PERIOD, EARNED VACATION TIME SHALL BEGIN RETROACTIVE TO THE FIRST DAY OF HIRE.

SECTION 2. FOR PURPOSES OF VACATION TIME COMPUTATION, EACH EMPLOYEE SHALL BE REQUIRED TO WORK A MINIMUM OF EIGHTEEN (18) DAYS TO MAKE UP ONE SERVICE MONTH. VACATION SHALL BE FIGURED FROM THE FIRST MONTH IN WHICH AT LEAST EIGHTEEN (18) DAYS ARE WORKED.

SECTION 3. ALL FULL TIME EMPLOYEES WILL RECEIVE VACATION LEAVE WITHOUT LOSS OF PAY AS FOLLOWS:

1 - 4 YEARS	10 DAYS
5 - 9 YEARS	15 DAYS
10 - 14 YEARS	20 DAYS
15 - OVER	25 DAYS

SECTION 4. ANNUALLY, IT IS THE OBLIGATION OF INDIVIDUAL MEMBERS TO REDUCE ACCUMULATED VACATION TIME TO A MAXIMUM OF FIVE WEEKS (I.E. 200 HOURS FOR 8-HOUR EMPLOYEE AND 187.5 HOURS FOR 7.5 HOURS EMPLOYEE) BY OR PRIOR TO THEIR ANNIVERSARY DATE AT WHICH TIME THEY SHALL RECEIVE ADDITIONAL VACATION TIME ACCORDING TO THE ABOVE SCHEDULE.

IN ORDER THAT REDUCTION IN THE MAXIMUM VACATION ACCUMULATION SET FORTH ABOVE SHALL NOT ADVERSELY AFFECT A MEMBER'S FINAL AVERAGE COMPENSATION, THOSE MEMBER'S WHOSE DATE OF EMPLOYMENT IS PRIOR TO JUNE 30, 1985, MAY, AT THEIR OPTION, AND AFTER COMPLETION OF TWENTY-THREE YEARS OF SERVICE OR TWO YEARS PRIOR TO RETIREMENT, WHICH EVER COMES LATER, MAY ACCUMULATE VACATION TIME TO 280 HOURS FOR THE EIGHT-HOUR EMPLOYEE AND TO 262.5 FOR THE SEVEN-AND-ONE-HALF-HOUR EMPLOYEE.

THE TIME WHEN EMPLOYEES' (OTHER THAN DEPARTMENT HEADS) VACATIONS MAY BE TAKEN SHALL BE DETERMINED BY THE DEPARTMENT HEAD WHO SHALL BE GOVERNED BY THE EMPLOYEE'S DESIRE AND THE INTEREST OF PUBLIC SERVICE. THE TIME WHEN DEPARTMENT HEADS' VACATION MAY BE TAKEN SHALL BE DETERMINED BY THE CITY MANAGER WHO SHALL BE GOVERNED BY THE DEPARTMENT HEAD'S DESIRE AND THE INTEREST OF PUBLIC SERVICE.

ARTICLE IX - VACATIONS

(CONTINUED)

SECTION 5. UPON SEPARATION OF ANY EMPLOYEE FROM THE CITY'S SERVICE, EITHER BY RESIGNATION, LAYOFF, OR ANY OTHER MEANS, SUCH EMPLOYEE SHALL BE PAID ACCRUED VACATION TIME UP TO AND INCLUDING ALL SUCH TIME DUE. IN THE EVENT OF DEATH OF THE EMPLOYEE, HIS OR HER PERSONAL REPRESENTATIVE SHALL BE PAID ALL VACATION TIME DUE SUCH EMPLOYEE. ANY EMPLOYEE WHO SEPARATES HIMSELF/HERSELF THROUGH UNEXCUSED ABSENCE WITHOUT LEAVE SHALL SURRENDER ALL RIGHTS TO A VACATION.

ARTICLE X - SICK LEAVE

SECTION 1. ALL FULL TIME PERMANENT EMPLOYEES SHALL BE ENTITLED TO SICK LEAVE WITH FULL PAY FOR ONE NORMAL SERVICE DAY AT STRAIGHT TIME FOR EACH PERIOD OF SERVICE EQUAL TO THE DEPARTMENT'S SERVICE MONTH; PROVIDED, HOWEVER, THAT NO EMPLOYEE SHALL BE ENTITLED TO SICK LEAVE UNTIL COMPLETION OF NINETY (90) DAYS EMPLOYMENT. PROVIDED, FURTHER, HOWEVER, THAT ANY EMPLOYEE WHO HAS NOT COMPLETED SIX (6) MONTHS PROBATIONARY PERIOD BUT WHO HAS COMPLETED AT LEAST THREE (3) MONTHS OF SERVICE, SHALL BE GRANTED SICK LEAVE AT THE RATE OF ONE (1) DAY PER MONTH FOR EACH MONTH'S SERVICE COMPLETED FOR ATTENDANCE AT A FUNERAL OF AN IMMEDIATE MEMBER OF THE FAMILY, OR DOCUMENTED ILLNESS IF REQUESTED, AND UPON COMPLETION OF THEIR SIX (6) MONTHS PROBATIONARY PERIOD SHALL BE CREDITED WITH ANY UNUSED SICK TIME ACCUMULATED.

SICK LEAVE SHALL ACCRUE MONTHLY AND SHALL BE COMPUTED ON THE BASIS OF NOT LESS THAN EIGHTEEN (18) NORMAL SERVICE DAYS PER MONTH. SUCH TIME SHALL FIRST BE COMPUTED FROM THE DATE OF APPOINTMENT AND THEREAFTER, FROM THE BEGINNING OF EACH FISCAL YEAR. SUCH LEAVE SHALL ACCRUE IN TERMS OF FULL DAYS ONLY, AND SHALL NOT EXCEED TWELVE (12) DAYS IN ONE (1) YEAR.

SECTION 2.

- (A) AN EMPLOYEE WHO FINDS IT NECESSARY TO BE ABSENT FROM HIS/HER WORK MUST OBTAIN LEAVE FROM HIS/HER IMMEDIATE SUPERVISOR SO FAR AS POSSIBLE ON THE DAY BEFORE THE CONTEMPLATED ABSENCE. IF IT IS NOT POSSIBLE TO DO SO, COMMUNICATION OF THE ABSENCE SHALL BE MADE TO THE IMMEDIATE SUPERVISOR WITHIN FIFTEEN (15) MINUTES OF THE STARTING TIME OF THE SHIFT OR AT LEAST WITHIN THE NEXT TWO (2) HOURS AFTER THE STARTING TIME IF NO EARLIER NOTICE IS POSSIBLE. ABSENCE OF AN EMPLOYEE FOR THREE (3) CONSECUTIVE WORK DAYS WITHOUT LEAVE OR ACCEPTABLE JUSTIFICATION, SHALL BE CAUSE FOR IMMEDIATE DISMISSAL.
- (B) EVIDENCE OF ILLNESS OR MEDICAL DISABILITY MUST BE PROVIDED BY A MEDICAL REPORT FOR ALL SICK LEAVE OF MORE THAN THREE CONSECUTIVE DAYS. FOR SICK LEAVE OF THREE CONSECUTIVE DAYS OR LESS, THE CITY MAY REQUIRE A MEDICAL REPORT PRIOR TO APPROVAL OF SAID SICK LEAVE. IN ANY CASE, THE CITY MAY REQUIRE EXAMINATION BY A PHYSICIAN SELECTED BY THE CITY PRIOR TO GRANTING PAID SICK LEAVE OR PRIOR TO THE EMPLOYEE'S RETURN TO WORK.
- (C) SICK LEAVE MAY BE ALLOWED IN CASES OF SICKNESS OR INJURY OCCURRING DURING THE VACATION PERIOD. EVIDENCE OF SUCH INCAPACITY FROM THE FIRST DAY MUST, HOWEVER, BE PROVIDED TO THE SATISFACTION OF THE DEPARTMENT HEAD AND THE CITY MANAGER.

SECTION 2.

- (D) SICK LEAVE SHALL NOT BE CHARGED AGAINST THE EMPLOYEE'S CURRENT OR SPECIAL RESERVE BANK IN AMOUNTS OF LESS THAN ONE (1) HOUR FOR ANY ABSENCE.
- (E) ONE (1) DAY SICK LEAVE MAY BE ALLOWED IN THE EVENT OF SERIOUS ILLNESS OF THE HUSBAND OR WIFE OF THE EMPLOYEE, OR SERIOUS ILLNESS OF A CHILD OF THE EMPLOYEE, WHEN NECESSARY TO ARRANGE FOR ADDITIONAL HELP AT HOME OR TRANSPORTATION TO A HOSPITAL OR A DOCTOR. PROLONGED ILLNESS OF A FAMILY MEMBER SHALL NOT BE CAUSE FOR THE USE OF SICK LEAVE UNLESS PREVIOUSLY APPROVED BY THE DEPARTMENT HEAD AND CITY MANAGER.
- (F) IT IS AGREED BETWEEN THE UNION AND THE CITY THAT SICK LEAVE CAN BE USED FOR THE PURPOSES MENTIONED ABOVE AND THAT FALSELY REPORTING SICK LEAVE SO THAT AN EMPLOYEE CAN WORK AT ANOTHER JOB SHALL BE CAUSE FOR AN AUTOMATIC TEN (10) DAY SUSPENSION ON FIRST OFFENSE, AND IMMEDIATE DISMISSAL FOR SECOND OFFENSE WITHOUT RECOURSE TO THE GRIEVANCE PROCEDURE OUTLINED HEREIN.
- (G) UPON RETIREMENT WITH A CITY PENSION ONE HALF (1/2) OF THE EMPLOYEE'S ACCUMULATED SICK TIME WILL BE PAID TO THAT EMPLOYEE. IN THE EVENT OF DEATH OF AN EMPLOYEE, ONE HALF (1/2) OF THE EARNED SICK TIME WILL BE PAID TO THAT EMPLOYEE'S BENEFICIARY.

SICK LEAVE MAY NOT BE GRANTED IN ANTICIPATION OF FUTURE SERVICE. RECOGNIZED HOLIDAYS FALLING WITHIN A PERIOD OF SICK LEAVE SHALL NOT BE COUNTED AS SICK DAYS.

ARTICLE XI - WAGE INSURANCE

SECTION 1. A "SHORT TERM" AND "LONG TERM" HEALTH AND ACCIDENT WAGE INSURANCE POLICY SHALL BE PURCHASED THROUGH THE CITY OF MADISON HEIGHTS. SAID POLICY SHALL PAY SIXTY PERCENT (60%) OF THE EMPLOYEE'S WEEKLY WAGE AFTER A SIXTY (60) CALENDAR DAY WAITING PERIOD AND SAID PAYMENTS SHALL CONTINUE UNTIL THE AGE OF SIXTY-FIVE (65) PROVIDED THE EMPLOYEE CONTINUES TO BE QUALIFIED, OR UNTIL THE EMPLOYEE IS ELIGIBLE FOR PENSION BENEFITS, OR UNTIL THE EMPLOYEE OBTAINS EMPLOYMENT REASONABLY EQUAL TO HIS/HER CITY EMPLOYMENT AND; PROVIDED FURTHER, THAT AT THE OPTION OF THE EMPLOYEE, THE SIXTY-DAY WAITING PERIOD MAY BE EXTENDED BY THE USE OF ACCUMULATED SICK LEAVE, VACATION TIME OR COMPENSATORY TIME.

IN THE EVENT OF AN INADVERTENT DELAY OF MORE THAN FOURTEEN (14) DAYS IN THE RECEIPT OF THE INSURANCE CHECK, THE CITY, UPON REQUEST OF THE EMPLOYEE, WILL PROVIDE TO THE EMPLOYEE AN ADVANCE EQUAL TO THE AMOUNT OF THE INSURANCE CHECK PROVIDED THAT THE EMPLOYEE WILL ASSIGN SAID INSURANCE CHECK TO THE CITY UPON RECEIPT THEREOF; AND PROVIDED FURTHER, THAT THE ENTIRE AMOUNT ADVANCED BY THE CITY SHALL BE REPAID BY THE EMPLOYEE WITHIN 60 DAYS FROM THE DATE OF THE ADVANCE.

ANY BENEFITS FROM SOCIAL SECURITY, WORKER'S DISABILITY COMPENSATION OR OTHER SIMILAR SOURCES SHALL BE DEDUCTED FROM THE WAGE INSURANCE BENEFITS SO THAT AN EMPLOYEE WILL RECEIVE A TOTAL OF NO MORE THAN SIXTY PERCENT (60%) OF HIS REGULAR WEEKLY GROSS WAGE.

SECTION 1.

THIS WAGE INSURANCE POLICY SHALL BE FULLY PAID BY THE EMPLOYER.

THE CITY SHALL PAY THE HOSPITALIZATION INSURANCE PREMIUM FOR A PERIOD NOT TO EXCEED TWO YEARS BEGINNING ON THE DATE THE EMPLOYEE GOES OFF WORK. IF THE EMPLOYEE IS ABLE TO USE LEAVE TIME TO ACHIEVE EIGHTEEN (18) SERVICE DAYS DURING THE 60-DAY WAITING PERIOD FOR DISABILITY INSURANCE, THEN THE SIX-MONTH COVERAGE PERIOD FOR HOSPITALIZATION INSURANCE BEGINS WHEN THE EMPLOYEE RECEIVES DISABILITY INSURANCE. OTHERWISE, THE SIX-MONTH COVERAGE PERIOD FOR HOSPITALIZATION INSURANCE BEGINS ON THE DATE OF THE NON-WORK RELATED ILLNESS OR INJURY.

SECTION 2. THE EMPLOYEE SHALL CONTINUE TO RECEIVE THE MAXIMUM OF TWELVE (12) EARNED SICK DAYS PER YEAR, PROVIDED THE EMPLOYEE IS NOT ON LONG TERM OR SHORT TERM INSURANCE. ALL SICK DAYS ACCUMULATED DURING THE CONTRACT YEAR IN EXCESS OF FORTY-EIGHT (48) DAYS SHALL BE 'BOUGHT BACK' BY THE CITY AT FIFTY PERCENT (50%) OF THE EMPLOYEE'S WAGE RATE DURING THE YEAR THE SICK TIME IS EARNED.

EXAMPLE: IF AN EMPLOYEE HAD ACCUMULATED FORTY-EIGHT (48) DAYS SICK TIME BY JULY 1, 1988, AND ACCUMULATES ANOTHER TWELVE (12) DAYS BUT DOES NOT USE ANY OF THESE SICK DAYS DURING THE CONTRACT YEAR, THE CITY SHALL BUY BACK ALL TWELVE (12) DAYS AT FIFTY PERCENT (50%) OF THE EMPLOYEE'S WAGE RATE. IF, FOR EXAMPLE, AN EMPLOYEE ON JULY 1, 1988, HAD ACCUMULATED FORTY (40) DAYS SICK LEAVE AND EARNS TWELVE (12) DAYS DURING THE YEAR, BUT DOES NOT USE ANY OF THE SICK LEAVE, HE/SHE WILL HAVE ACCUMULATED AN EXCESS OF FOUR (4) DAYS WHICH SHALL BE BOUGHT BACK BY THE CITY AT FIFTY PERCENT (50%) OF THE EMPLOYEE'S WAGE RATE. PAYMENT SHALL BE MADE BETWEEN JULY 15TH AND JULY 30TH FOLLOWING THE END OF EACH FISCAL YEAR. THE FIFTY PERCENT (50%) BUY BACK IS FIFTY PERCENT (50%) OF THE EMPLOYEE'S DAILY GROSS WAGE, EXCLUDING ALL DIFFERENTIALS, PREMIUMS AND LONGEVITY ADJUSTMENTS IN EFFECT ON THE LAST DAY OF THE FISCAL YEAR.

THE ABOVE STATED "BUY BACK" OF SICK TIME SHALL BE SEPARATE AND DISTINCT FROM THE EMPLOYEE'S "SHORT TERM" AND "LONG TERM" HEALTH AND ACCIDENT WAGE INSURANCE POLICIES, AND, FURTHER, THE NUMBER OF ACCUMULATED SICK DAYS SHALL IN NO WAY AFFECT THE INSURANCE POLICIES.

SECTION 3.

AN EMPLOYEE MAY REQUEST IN WRITING A NEGATIVE SICK BANK OF UP TO A MAXIMUM OF FORTY-EIGHT (48) DAYS SUBJECT TO ALL OF THE FOLLOWING TERMS AND CONDITIONS:

- 1) THE EMPLOYEE MUST HAVE A MINIMUM OF TEN (10) YEARS OF SERVICE.
- 2) THE EMPLOYEE MUST BE DISABLED AS A RESULT OF A SECOND NON-DUTY INJURY OR ILLNESS WHICH OCCURS WITHIN FOUR (4) YEARS OF THE DATE OF THE EMPLOYEE'S RETURN TO WORK FROM BEING DISABLED AS A RESULT OF A FIRST NON-DUTY INJURY OR ILLNESS.

SECTION 3.

- 3) THE EMPLOYEE MUST FIRST UTILIZE ALL ACCUMULATED SICK TIME AND ACCUMULATED COMPENSATORY TIME; PROVIDED, HOWEVER, THAT WITH RESPECT TO ACCUMULATED COMPENSATORY TIME, AN EMPLOYEE MAY, AT HIS/HER OPTION, SUBSTITUTE AN EQUAL AMOUNT OF VACATION TIME FOR ACCUMULATED COMPENSATORY TIME.
- 4) THE MAXIMUM NUMBER OF NEGATIVE SICK DAYS SHALL BE EQUAL TO THE NUMBER OF WORK DAYS WHICH THE EMPLOYEE WAS OFF, WHETHER PAID OR UNPAID, DURING THE FIRST SIXTY (60) DAY WAITING PERIOD, SUBJECT TO THE PROVISIONS OF THE NEXT PARAGRAPH.
- 5) DURING THE FOUR (4) YEAR INTERVAL FOLLOWING THE EMPLOYEE'S RETURN TO WORK, THE MAXIMUM NUMBER OF NEGATIVE SICK DAYS SHALL BE REDUCED AS FOLLOWS:
 - A) FROM THE DATE OF THE EMPLOYEE'S RETURN TO WORK TO THE FIRST ANNIVERSARY THEREOF
- MAXIMUM NEGATIVE SICK DAYS OF FORTY-EIGHT (48).
 - B) FROM THE FIRST ANNIVERSARY DATE OF THE EMPLOYEE'S RETURN TO WORK TO THE SECOND ANNIVERSARY THEREOF
- MAXIMUM NEGATIVE SICK DAYS OF THIRTY-SIX (36).
 - C) FROM THE SECOND ANNIVERSARY DATE OF THE EMPLOYEE'S RETURN TO WORK TO THE THIRD ANNIVERSARY THEREOF
- MAXIMUM NEGATIVE SICK DAYS OF TWENTY-FOUR (24).
 - D) FROM THE THIRD ANNIVERSARY DATE OF THE EMPLOYEE'S RETURN TO WORK TO THE FOURTH ANNIVERSARY THEREOF
- MAXIMUM NEGATIVE SICK DAYS OF TWELVE (12).

ARTICLE XII - BEREAVEMENT LEAVE

- A) ALL EMPLOYEES SHALL BE GRANTED BEREAVEMENT LEAVE WITHOUT DEDUCTION OF PAY OF THREE (3) DAYS FOR ATTENDANCE AT A FUNERAL OF THE EMPLOYEE'S SPOUSE, MOTHER, FATHER, SISTER, BROTHER, CHILDREN, GRANDPARENTS, MOTHER-IN-LAW, FATHER-IN-LAW, BROTHER-IN-LAW AND SISTER-IN-LAW, STEPMOTHER AND STEPFATHER, SON-IN-LAW, DAUGHTER-IN-LAW, AND GRANDCHILDREN.
- B) IF THE FUNERAL IS 250 MILES OR IN EXCESS THEREOF FROM THE CITY OF MADISON HEIGHTS, ONE ADDITIONAL BEREAVEMENT DAY WILL BE GRANTED, NON-CHARGEABLE, PLUS THE EMPLOYEE MAY TAKE ONE ADDITIONAL BEREAVEMENT DAY WHICH SHALL BE DEDUCTED FROM HIS/HER ACCUMULATED SICK LEAVE OR VACATION DAYS.
- C) IN THE EVENT OF THE DEATH OF AUNTS, UNCLES, AND RELATIVE LIVING IN THE SAME HOUSEHOLD REGARDLESS OF RELATIONSHIP, EMPLOYEES MAY BE GRANTED ABSENCE NOT TO EXCEED THREE (3) DAYS TO MAKE ARRANGEMENTS OR ATTEND THE FUNERAL AND SUCH ABSENCE SHALL BE CHARGEABLE TO ACCUMULATED SICK LEAVE OR VACATION DAYS.

ARTICLE XII - BEREAVEMENT LEAVE

(CONTINUED)

- D) MEMBERS SHALL BE ENTITLED TO ONE DAY OFF WITH PAY IN THE EVENT OF THE DEATH OF A NIECE OR NEPHEW WHERE THEIR ATTENDANCE IS REQUIRED AT THE FUNERAL.
- E) THE "NON-CHARGEABLE" BEREAVEMENT LEAVE PROVISION SHALL NOT BE CONSTRUED AS ADDITIONAL LEAVE TIME AND SHALL BE USED ONLY FOR ATTENDANCE AT FUNERALS AS DEFINED IN PARAGRAPH (A) ABOVE. ATTENDANCE AT A FUNERAL ON SATURDAY, SUNDAY OR HOLIDAYS CANNOT BE CHARGED TO NON-CHARGEABLE BEREAVEMENT LEAVE, ACCUMULATED SICK LEAVE OR ACCUMULATED VACATION TIME IN THE FORM OF ADDITIONAL LEAVE DAYS.
- F) NON-CHARGEABLE LEAVE SHALL NOT EXTEND TO MORE THAN ONE (1) DAY AFTER INTERMENT.
- G) NON-CHARGEABLE BEREAVEMENT LEAVE IS NOT ACCUMULATIVE AND MAY NOT BE CARRIED OVER INTO THE NEXT FISCAL YEAR.

ARTICLE XIII - WORK WEEK

AN EMPLOYEE'S REGULAR NORMAL WORK WEEK SHALL BE AS FOLLOWS:

CLASSIFICATION "A"

MINIMUM FORTY (40) HOURS PER WEEK:

FIRE DEPARTMENT AND POLICE DEPARTMENT EMPLOYEES.

THE NORMAL WORKING HOURS FOR THE POLICE CHIEF, FIRE CHIEF, AND DEPUTY POLICE CHIEF SHALL BE THE SAME AS THOSE DURING WHICH THE CITY HALL IS OPEN CURRENTLY 8:00 AM TO 4:30 PM.

CLASSIFICATION "B"

MINIMUM THIRTY-SEVEN AND ONE-HALF (37 1/2) HOURS PER WEEK:

ALL OTHER PERSONNEL WITHIN THE JURISDICTION OF THIS CONTRACT.

ARTICLE XIV - GRIEVANCE PROCEDURE

SECTION 1. IT IS MUTUALLY AGREED THAT ALL GRIEVANCES, DISPUTES, OR COMPLAINTS ARISING UNDER AND DURING THE TERMS OF THIS AGREEMENT SHALL BE SETTLED IN ACCORDANCE WITH THE PROCEDURE HEREIN PROVIDED AND THAT THERE SHALL AT NO TIME BE ANY STRIKES, TIE-UPS OF EQUIPMENT, SLOW DOWNS, WALK OUTS, OR ANY OTHER CESSATIONS OF WORK BY THE UNION OR THE MEMBERS THEREOF AND THAT THE CITY SHALL NOT USE ANY METHOD OF LOCK OUT OR LEGAL PROCEDURE TO PREVENT THE EMPLOYEES FROM PERFORMING THEIR DUTIES EXCEPT AS SPECIFICALLY AGREED TO IN OTHER SUPERSEDING SECTIONS OF THIS CONTRACT. EVERY EFFORT SHALL BE MADE TO ADJUST CONTROVERSIES AND DISAGREEMENTS IN AN AMICABLE MANNER BETWEEN THE CITY AND THE UNION.

SECTION 2. SHOULD ANY GRIEVANCE, DISPUTES, OR COMPLAINTS ARISE OVER THE INTERPRETATION OR APPLICATION OF THE CONTENTS OF THIS AGREEMENT THERE SHALL BE AN EARNEST EFFORT ON THE PART OF THE PARTIES TO SETTLE SUCH GRIEVANCE, DISPUTES OR COMPLAINTS PROMPTLY THROUGH THE FOLLOWING STEPS:

A) *STEP 1 -*

GRIEVANCES SHALL BE FILED WITHIN THREE (3) WORKING DAYS OR WITHIN THREE (3) DAYS OF KNOWLEDGE OF INCIDENT. THE EMPLOYEE AND/OR UNION REPRESENTATIVE SHALL DISCUSS THE COMPLAINT WITH HIS/HER IMMEDIATE SUPERVISOR WHO SHALL ATTEMPT TO RESOLVE THE GRIEVANCE.

IF A SETTLEMENT CANNOT BE REACHED VERBALLY, THE GRIEVANCE SHALL BE PUT IN WRITING TO THE IMMEDIATE SUPERVISOR. THE IMMEDIATE SUPERVISOR SHALL ATTEMPT TO ARRIVE AT AN EQUITABLE SOLUTION WITHIN THREE (3) DAYS.

B) *STEP 2 -*

IF THE EMPLOYEE AND REPRESENTATIVE ARE UNABLE TO REACH AN AGREEMENT, THE GRIEVANCE SHALL, WITHIN FIVE (5) DAYS, BE PUT IN WRITING AND SUBMITTED TO THE CITY MANAGER. WITHIN SEVEN (7) DAYS AFTER RECEIVING SAID COMMUNICATION, THE CITY MANAGER SHALL ANSWER SAID GRIEVANCE IN WRITING.

C) GRIEVANCES MUST BE TAKEN UP PROMPTLY AND NO GRIEVANCE WILL BE CONSIDERED OR DISCUSSED WHICH IS PRESENTED LATER THAN THREE (3) DAYS, EXCLUSIVE OF SATURDAY, SUNDAY AND HOLIDAYS, AFTER SUCH ALLEGED GRIEVANCE HAS TAKEN PLACE, OR THREE (3) DAYS AFTER THE EMPLOYEE SHOULD HAVE BECOME AWARE OF IT.

D) NOTWITHSTANDING THE PROCEEDINGS, IT SHALL BE THE RIGHT OF THE INDIVIDUAL EMPLOYEE AT ANY TIME TO PROCESS GRIEVANCES AND HAVE THE GRIEVANCE ADJUSTED WITHOUT INTERVENTION OF THE BARGAINING REPRESENTATIVE, SO LONG AS THE ADJUSTMENT IS NOT INCONSISTENT WITH THE TERMS OF THIS COLLECTIVE BARGAINING AGREEMENT.

E) THE PRESIDENT OF THE UNION OR DESIGNATED REPRESENTATIVE OF THE UNION SHALL BE ALLOWED REASONABLE TIME FOR THE INVESTIGATION AND PRESENTATION OF GRIEVANCES WITH THE CITY IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT. BEFORE LEAVING HIS/HER PLACE OF WORK THE EMPLOYEE MUST RECEIVE PERMISSION TO DO SO FROM HIS/HER SUPERIOR WHICH PERMISSION SHALL BE GRANTED WITHIN THE TWENTY-FOUR (24) HOURS NEXT FOLLOWING THE REQUEST; SUCH TIME SHALL BE ALLOWED WITHOUT LOSS OF PAY. THE REPRESENTATIVE SHALL REPORT TO THE SUPERIOR UPON COMPLETION OF THE INVESTIGATION.

F) ANY INDIVIDUAL EMPLOYEE OR GROUP OF EMPLOYEES WHO WILFULLY VIOLATE OR DISREGARD THE GRIEVANCE PROCEDURES SET FORTH HEREIN MAY BE SUBJECT TO DISCIPLINARY ACTION BY THE CITY WITHOUT RECOURSE TO THE PROVISION OF THE GRIEVANCE PROCEDURE OUTLINED HEREIN.

SECTION 3. ARBITRATION

- A) IF THE UNION DOES NOT ACCEPT THE ANSWER OF THE EMPLOYER AT CITY MANAGER LEVEL, THE UNION SHALL WITHIN FOURTEEN (14) DAYS AFTER THE RECEIPT THEREOF FURNISH THE EMPLOYER WITH WRITTEN NOTICE THAT THE UNION DESIRES TO PROCEED TO ARBITRATION. THE PARTIES SHALL ATTEMPT TO MUTUALLY AGREE UPON AN ARBITRATOR, BUT IF NO SUCH AGREEMENT HAS BEEN REACHED WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THE AFORESAID NOTICE BY THE EMPLOYER, THE UNION SHALL INITIATE PROCEDURES FOR THE SELECTION OF AN ARBITRATOR AS PROVIDED BY THE AMERICAN ARBITRATION ASSOCIATION. THOSE EMPLOYEES EMPLOYED UNDER THE PROVISIONS OF MICHIGAN STATE ACT 78 SHALL BE ENTITLED TO ALL OF THE PROTECTION AND RIGHTS ENUMERATED IN THAT ACT AND ACT 78 SHALL APPLY TO THOSE EMPLOYEES IN ANY SITUATION WHERE THE SAID ACT IS IN CONFLICT TO THE PROVISIONS STATED UNDER THIS CONTRACT. SAID EMPLOYEES MAY IN NO CASE ELECT BOTH REMEDIES.
- B) ALL PROCEEDINGS RELATING TO ANY ARBITRATION, REGARDLESS OF THE METHOD USED TO SELECT THE ARBITRATOR, SHALL BE PURSUANT TO THE VOLUNTARY RULES OF LABOR ARBITRATION PUBLISHED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES MAY IN ANY CASE AGREE IN WRITING TO ABIDE BY THE EXPEDITED RULES PUBLISHED BY SAID ASSOCIATION.
- C) THE ARBITRATORS SHALL HAVE NO AUTHORITY TO ADD TO, SUBTRACT FROM, CHANGE OR MODIFY ANY PROVISIONS OF THIS AGREEMENT. HOWEVER, NOTHING CONTAINED HEREIN SHALL BE CONSTRUED TO LIMIT THE AUTHORITY OF THE ARBITRATOR, IN HIS JUDGEMENT, TO FASHION ANY REMEDY NECESSARY TO MAKE THE GRIEVANT WHOLE. THE ARBITRATOR SHALL ONLY MAKE AN AWARD IN FAVOR OF ANY GRIEVANCE UPON AN EXPRESS FINDING OF A VIOLATION OF THIS AGREEMENT.
- D) THE DECISION OF THE ARBITRATOR SHALL BE FINAL AND BINDING AND MAY BE ENFORCED IN ANY COURT OF COMPETENT JURISDICTION.
- E) ALL COSTS OF ANY ARBITRATION SHALL BE BORNE EQUALLY BY THE TWO PARTIES. EACH PARTY SHALL BE RESPONSIBLE FOR THE EXPENSES OF ITS OWN WITNESSES. THE CITY WILL PAY THE SALARY OF ANY TWO (2) MEMBERS TO ATTEND A HEARING WHICH MAY INCLUDE GRIEVANT AT A HEARING.
- F) IN THOSE AREAS WHERE ACT 78 OF THE PUBLIC ACTS OF 1935 APPLIES, EMPLOYEE MAY ELECT THIS REMEDY OR ARBITRATION UNDER THIS AGREEMENT, BUT NOT BOTH.

ARTICLE XV - SENIORITY

SENIORITY OF A NEW EMPLOYEE SHALL BE COMMENCED AFTER THE EMPLOYEE HAS COMPLETED A PROBATIONARY PERIOD OF SIX (6) MONTHS, AND SHALL BE RETROACTIVE FROM THE DATE OF HIS EMPLOYMENT. HOWEVER, ALL TIME WORKED SHALL BE CONSIDERED IN SENIORITY FOR LONGEVITY AND PROBATIONARY RIGHTS

ARTICLE XV - SENIORITY

(CONTINUED)

ONLY WHEN EMPLOYED ON A PERMANENT BASIS. THIS DOES NOT APPLY TO PENSION RIGHTS OR VACATION.

ARTICLE XVI - PROMOTIONS

SECTION 1. PROMOTIONS WILL BE GRANTED ON THE BASIS OF ABILITY TO PERFORM. ANY OPENINGS SHALL BE POSTED IN ALL DEPARTMENTS FOR FIVE (5) WORKING DAYS. PROMOTION TO CHIEF AND DEPUTY CHIEF OF THE POLICE DEPARTMENT AND TO CHIEF OF THE FIRE DEPARTMENT SHALL BE EXCLUDED FROM THE PROVISIONS OF ACT 78 OF 1935 AS AMENDED PROVIDED THAT SUCH POSITIONS SHALL BE FILLED BY A MEMBER OF THE RESPECTIVE DEPARTMENT IN ACCORDANCE WITH THE CRITERIA SET FORTH HEREIN.

SECTION 2. PERSONS PROMOTED TO OR EMPLOYED IN THE POSITIONS OF FIRE CHIEF, POLICE CHIEF, OR DEPUTY POLICE CHIEF SHALL BE REQUIRED TO BE RESIDENTS OF THE CITY OF MADISON HEIGHTS OR SHALL BECOME RESIDENTS WITHIN SIX MONTHS OF SUCH PROMOTION OR EMPLOYMENT.

ARTICLE XVII - OVERTIME

SECTION 1. COMPENSATORY TIME OFF SHALL BE COMPUTED IN THE FOLLOWING MANNER FOR EMPLOYEES UNDER THIS CONTRACT EXCEPT THAT OVERTIME ACCUMULATED PRIOR TO JULY 1, 1979, SHALL BE CONTROLLED BY PRIOR CONTRACTS:

- A) THOSE EMPLOYEES UNDER THIS CONTRACT SHALL BE ALLOWED TO ACCUMULATE UP TO ONE-HUNDRED-SIXTY (160) HOURS COMPENSATORY TIME AT THE RATE OF ONE-AND-ONE-HALF (1 1/2) THE ACTUAL HOURS WORKED.
- B) COMPENSATORY TIME OFF MUST BE AUTHORIZED BY THE CITY MANAGER FOR DEPARTMENT HEADS AND BY DEPARTMENT HEADS FOR OTHER BARGAINING UNIT MEMBERS.
- C) UPON SEPARATION OF ANY EMPLOYEE FROM THE CITY'S SERVICE, EITHER BY RESIGNATION, LAYOFF, OR ANY OTHER MEANS, SUCH EMPLOYEE SHALL BE PAID ACCRUED OVERTIME UP TO AND INCLUDING ALL SUCH TIME DUE, UP TO THE CONTRACTUAL LIMIT.

TIME WORKED, SUCH AS BEGINNING WORK FIFTEEN (15) OR THIRTY (30) MINUTES EARLY TO GET PAPERWORK OR ASSIGNMENTS READY, OR WORKING BEYOND THE NORMALLY SCHEDULED WORK DAY BY A HALF (1/2) HOUR OR SO TO FINISH UP THE DAY'S WORK, SHALL BE CONSIDERED AS CASUAL TIME WORKED AND SHALL NOT BE COMPENSATED FOR.

SECTION 2. RETIREES REQUIRED TO ATTEND COURT ON BEHALF OF THE CITY WILL BE COMPENSATED AT THEIR LAST STRAIGHT TIME HOURLY RATE PRECEDING THEIR RETIREMENT. ALL SUBPOENA FEES RECEIVED BY THE RETIREE SHALL BE REMITTED TO THE CITY OF MADISON HEIGHTS.

ARTICLE XVIII - HOLIDAYS

THE RECOGNIZED HOLIDAYS UNDER THIS CONTRACT SHALL BE:

- | | |
|----------------------------|---------------------------|
| INDEPENDENCE DAY | CHRISTMAS DAY |
| LABOR DAY | DAY BEFORE NEW YEAR'S DAY |
| VETERAN'S DAY | NEW YEAR'S DAY |
| THANKSGIVING DAY | GOOD FRIDAY |
| DAY AFTER THANKSGIVING DAY | EMPLOYEE'S BIRTHDAY |
| DAY BEFORE CHRISTMAS DAY | MEMORIAL DAY |

ARTICLE XVIII - HOLIDAYS

(CONTINUED)

TO BE ELIGIBLE FOR HOLIDAY PAY AN EMPLOYEE MUST WORK THE REGULARLY SCHEDULED DAY BEFORE THE HOLIDAY AND THE REGULARLY SCHEDULED DAY AFTER THE HOLIDAY, PROVIDED, HOWEVER, THIS REQUIREMENT WILL NOT APPLY WITH RESPECT TO ANY HOLIDAY FALLING WITHIN AN EMPLOYEE'S AUTHORIZED VACATION PERIOD; AND PROVIDED, FURTHER, THAT IF AN EMPLOYEE'S NAME IS ON THE PAYROLL AND HE IS PAID FOR THE DAY BEFORE AND THE DAY AFTER A HOLIDAY, IT WILL BE CONSIDERED AS A DAY WORKED.

SHOULD ONE OF THE HOLIDAYS FALL ON SATURDAY, FRIDAY SHALL BE RECOGNIZED AS THE HOLIDAY. IF HOLIDAYS FALL ON SUNDAY, MONDAY SHALL BE RECOGNIZED AS THE HOLIDAY.

ARTICLE XVIII-A PERSONAL LEAVE DAYS

SECTION 1. AN EMPLOYEE, WITH PRIOR APPROVAL FROM THE DEPARTMENT HEAD AND/OR CITY MANAGER WILL BE GRANTED FOUR (4) PERSONAL LEAVE DAYS OFF (EXCEPT FOR POLICE AND FIRE EMPLOYEES, WHO WILL RECEIVE SIX (6) SUCH PERSONAL LEAVE DAYS.) SUCH PERSONAL LEAVE DAYS SHALL NOT ACCRUE AND SHALL NOT BE CARRIED FORWARD FROM THE FISCAL YEAR IN WHICH THEY WERE EARNED. HOWEVER, SUCH LEAVE DAYS SHALL NOT BE CONSTRUED AS ADDITIONAL LEAVE TIME (ADDITIONAL VACATION, ETC.).

SECTION 2. PERSONAL LEAVE TIME SHALL BE MADE AVAILABLE TO THE EMPLOYEE FROM THE FIRST OF THE CONTRACT YEAR FOR USAGE. HOWEVER, SHOULD AN EMPLOYEE TERMINATE EMPLOYMENT WITH THE CITY, SUCH DAYS SHALL BE PRORATED TO ONE DAY PER QUARTER OF A CONTRACT YEAR. SHOULD AN EMPLOYEE USE MORE THAN THE ONE PERSONAL DAY PER QUARTER BEFORE THE TERMINATION, THE EMPLOYEE SHALL REPAY ALL DAYS USED IN EXCESS OF THE ACCRUAL.

ARTICLE XIX - RETIREMENT

SECTION 1. NON-POLICE AND FIRE EMPLOYEES

THE CITY SHALL PROVIDE, FOR MEMBERS OF THE BARGAINING UNIT OTHER THAN POLICE AND FIRE MEMBERS, RETIREMENT PENSION BENEFITS AS PROVIDED IN THE RULES AND REGULATIONS OF THE MICHIGAN MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM, PLAN B-3 WITH FAC-3 AND F-55 RIDER. ALL EMPLOYEES EXCEPT POLICE AND FIRE ARE REQUIRED TO PARTICIPATE IN THIS PENSION PLAN. THE CITY SHALL PAY THE EMPLOYEE PORTION OF THE COST OF THE PENSION PLAN.

EFFECTIVE WITH RETIREMENTS ON OR AFTER JULY 1, 1994, THE PLAN SHALL BE THE MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM PLAN B-4 WITH FAC-3 AND F-55 RIDERS.

SECTION 2. POLICE AND FIRE EMPLOYEES (ACT 345)

EMPLOYEES ENTITLED TO RETIREMENT BENEFITS UNDER MICHIGAN STATE ACT 345 (SEE PAGE 19) SHALL BE ENTITLED TO THE FOLLOWING OPTIONS UNDER THAT ACT; INCLUDING EARLY RETIREMENT AS PROVIDED BY COUNCIL AND/OR RETIREMENT BOARD RESOLUTION AND, IN ADDITION:

- A) EMPLOYEES UNDER THIS CONTRACT WHO HAVE PREVIOUSLY ADDED THEIR MILITARY TIME TO THEIR SENIORITY, OR WHO HAVE MADE APPLICATION TO DO SO, FOR PURPOSES OF RETIREMENT UPON PAYMENT TO THE CITY TREASURER OF FIVE PERCENT (5%) OF THEIR CURRENT SALARY TIMES THE NUMBER

SECTION 2. POLICE AND FIRE EMPLOYEES (ACT 345)

OF YEARS SO CLAIMED MUST COMPLETE ANY NECESSARY TRANSACTION BY JUNE 30, 1980, AT WHICH TIME THIS MILITARY TIME BUY BACK PROVISION SHALL BECOME NULL AND VOID.

- B) THEIR FINAL COMPENSATION SHALL BE AVERAGED OVER THE THREE (3) HIGHEST YEARS OF THE LAST TEN (10) YEARS TO DETERMINE THE AMOUNT OF SAID RETIREMENT BENEFITS.

FROM JULY 1, 1982 THROUGH JUNE 30, 1985 AN EMPLOYEE MAY RETIRE WITH 25 YEARS OF SERVICE BASED UPON THE FOLLOWING FORMULA PURSUANT TO THE PROVISIONS OF ACT 345: AVERAGE COMPENSATION, BASED UPON THE AVERAGE OF THE HIGHEST THREE YEARS OF ANNUAL COMPENSATION WITHIN THE PRECEDING 10 YEARS OF SERVICE, MULTIPLIED BY 2.0% TIMES YEARS OF SERVICE PLUS 1% FOR EACH ADDITIONAL YEAR OR FRACTION OF A YEAR IN EXCESS OF TWENTY-FIVE.

COMMENCING ON JULY 1, 1985, UPON RETIREMENT FROM SERVICE FOLLOWING COMPLETION OF 25 YEARS OF SERVICE, A MEMBER SHALL RECEIVE A RETIREMENT PENSION PAYABLE THROUGHOUT THE MEMBER'S LIFE OF 2.5% OF THE MEMBER'S AVERAGE FINAL COMPENSATION MULTIPLIED BY THE FIRST 25 YEARS OF SERVICE CREDITED TO THE MEMBER, PLUS 1% OF THE MEMBER'S AVERAGE FINAL COMPENSATION MULTIPLIED BY THE NUMBER OF YEARS, AND FRACTION OF A YEAR, OF SERVICE RENDERED BY THE MEMBER IN EXCESS OF 25 YEARS.

COMMENCING ON JULY 1, 1995, UPON SUBSEQUENT RETIREMENT FROM SERVICE FOLLOWING COMPLETION OF 25 YEARS OF SERVICE, A MEMBER SHALL RECEIVE A RETIREMENT PENSION PAYABLE THROUGHOUT THE MEMBER'S LIFE OF 2.8% OF THE MEMBER'S FINAL AVERAGE COMPENSATION MULTIPLIED BY THE FIRST 25 YEARS OF SERVICE CREDITED TO THE MEMBER, PLUS 1% OF THE MEMBERS FINAL AVERAGE COMPENSATION MULTIPLIED BY THE NUMBER OF YEARS, AND FRACTION OF A YEAR, OF SERVICE RENDERED BY THE MEMBER IN EXCESS OF 25 YEARS.

FURTHER, ON JULY 1, 1995, THE EMPLOYEE CONTRIBUTION TO THE RETIREMENT SYSTEM SHALL INCREASE FROM 5% TO 11.94% OF PAYROLL. THE ASSOCIATION FURTHER AGREES AND UNDERSTANDS THAT THE 6.94% INCREASE IS BASED ON THE ACTUARIAL VALUATION DONE BY GABRIEL, ROEDER, SMITH & COMPANY, ACTUARIES AND THAT THIS VALUATION IS BASED ON A THIRTY YEAR AMORTIZATION FOR MEMBER CONTRIBUTIONS ONLY.

THE PARTIES AGREE THAT HOSPITALIZATION INSURANCE FOR ACT 345 RETIREES SHALL BE PAID THROUGH THE RETIREMENT SYSTEM AND FUNDED BY THE POLICE-FIRE RETIREMENT MILLAGE LEVY.

AVERAGE COMPENSATION COMMENCING ON JULY 1, 1985 SHALL NOT INCLUDE ANY MONIES PAID OR DUE TO BE PAID BY THE CITY FOR SICK LEAVE WHICH HAVE BEEN ACCUMULATED AND BANKED, NOR SHALL AVERAGE COMPENSATION INCLUDE MORE THAN THIRTY-FIVE DAYS OF ACCUMULATED AND/OR CURRENT VACATION PAY NOR SHALL AVERAGE COMPENSATION INCLUDE MORE THAN ONE HUNDRED AND SIXTY (160) HOURS OF ACCUMULATED COMPENSATORY TIME, BUT F.A.C. SHALL INCLUDE PAYMENT FOR OVERTIME NOT RELATED TO COMPENSATORY TIME, AND PAYMENTS FOR SHIFT DIFFERENTIAL, COURT TIME, HOLIDAY PAY, CALL-IN, LONGEVITY, COST OF LIVING ALLOWANCE, UNIFORM ALLOWANCE, EDUCATION INCENTIVE, AND ANNUAL BUY-BACK OF SICK LEAVE.

SECTION 2. POLICE AND FIRE EMPLOYEES (ACT 345):

AN EMPLOYEE, REGARDLESS OF THE METHOD OF PENSION CALCULATION, SHALL RECEIVE ALL ACCUMULATED SICK LEAVE AND VACATION MONIES DUE AND OWING ON RETIREMENT. AN EMPLOYEE MAY AT HIS/HER OPTION ELECT TO LEAVE PRIOR TO HIS/HER NORMAL RETIREMENT DATE BY UTILIZING ANY ACCUMULATED VACATION LEAVE AND/OR COMPENSATORY TIME.

NO EMPLOYEE HIRED ON OR AFTER JANUARY 1, 1984 SHALL HAVE ANY ACCRUED VACATION USED FOR PURPOSES OF COMPUTATION OF FINAL AVERAGE COMPENSATION.

(A) EMPLOYER PICKUP: THE CITY SHALL PICK UP THE EMPLOYEE CONTRIBUTIONS REQUIRED OF EMPLOYEES FOR ALL COMPENSATION EARNED AFTER THE EFFECTIVE DATE OF THIS PROVISION, JULY 1, 1995. THE CONTRIBUTIONS, SO PICKED UP, SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS IN DETERMINING TAX TREATMENT UNDER THE UNITED STATES INTERNAL REVENUE CODE. THE CITY SHALL PICK UP THESE EMPLOYEE CONTRIBUTIONS FROM FUNDS ESTABLISHED AND AVAILABLE IN THE EMPLOYEES DEFERRED PENSION CONTRIBUTION ACCOUNT, WHICH FUNDS WOULD OTHERWISE HAVE BEEN DESIGNATED AS EMPLOYEE CONTRIBUTIONS AND PAID TO THE RETIREMENT FUND. EMPLOYEE CONTRIBUTIONS PICKED UP BY THE CITY, PURSUANT TO THIS PROVISION, SHALL BE PRORATED FOR ALL OTHER PURPOSES, IN THE SAME MANNER AND TO THE SAME EXTENT, AS EMPLOYEE CONTRIBUTIONS MADE PRIOR TO THE EFFECTIVE DATE OF THIS PROVISION. PURSUANT TO SECTION 414(h) OF THE UNITED STATES INTERNAL REVENUE CODE, THESE EMPLOYEE CONTRIBUTIONS SO PICKED UP SHALL NOT BE INCLUDED IN TOTAL INCOME FOR INCOME TAX PURPOSES.

(B) WITH RESPECT TO THIS PLAN AMENDMENT AND THE "PICKUP" OF EMPLOYEE PENSION CONTRIBUTION SET FORTH IN PARAGRAPH (A) ABOVE, IT IS EXPRESSLY UNDERSTOOD AND AGREED AS FOLLOWS:

- i. THIS PLAN AMENDMENT IS BEING ADOPTED FOR THE PURPOSE OF ALLOWING EMPLOYEES TO TAKE ADVANTAGE OF IRS CODE PROVISIONS WHICH PERMIT GOVERNMENT EMPLOYEES TO TAX SHELTER THEIR PENSION PLAN CONTRIBUTIONS.
- ii. THE ACTUAL CURRENT AND FUTURE TOTAL SALARY OF THE EMPLOYEES WILL NOT BE AFFECTED BY THE PLAN AMENDMENT.
- iii. EMPLOYEE CONTRIBUTIONS WILL BE WITHHELD FROM ACTUAL TOTAL SALARY AND PAID TO THE PLAN AS HAS BEEN THE PRACTICE IN THE PAST.
- iv. ACTUAL TOTAL SALARY WILL CONTINUE TO SERVE AS THE BASIS FOR DETERMINING THE AMOUNT OF SALARY RELATED FRINGE BENEFITS, INCLUDING RETIREMENT BENEFITS.
- v. TOTAL SALARY TAXABLE FOR FEDERAL INCOME TAX PURPOSES (SALARY REPORTED ON FORM W-2) FOR THE EMPLOYEES WILL BE EQUAL TO ACTUAL TOTAL LESS THE EMPLOYEE CONTRIBUTION TO THE PENSION PLAN AND FURTHER REDUCED BY ANY DEFERRED COMPENSATION UNDER A SECTION 457 PLAN.

SECTION 2. POLICE AND FIRE EMPLOYEES (ACT 345)

- vi. THE CITY WILL MAINTAIN INFORMATION WHICH WILL PERMIT IDENTIFICATION OF THE AMOUNT OF EMPLOYEE CONTRIBUTIONS MADE BEFORE AND AFTER THE PLAN AMENDMENT. THIS IS NECESSARY IN ORDER TO DETERMINE THE EXTENT TO WHICH A PENSION PLAN DISTRIBUTION IS TAXABLE INCOME TO THE EMPLOYEE AT THE TIME THE DISTRIBUTION IS RECEIVED.

- vii. THE PLAN AMENDMENT IS BEING ACCOMPLISHED THROUGH THE COLLECTIVE BARGAINING PROCESS RATHER THAN A CHANGE IN STATE LAW.

- viii. AN EMPLOYEE DOES NOT HAVE THE OPTION OF CHOOSING TO RECEIVE THE CONTRIBUTED AMOUNTS DIRECTLY INSTEAD OF HAVING THEM PAID BY THE CITY TO THE RETIREMENT SYSTEM.

ANNUITY WITHDRAWAL

A MEMBER RETIRING WITH TWENTY-FIVE YEARS OF SERVICE MAY, AT THE MEMBER'S OPTION, ELECT TO RECEIVE A REFUND OF THE MEMBER'S ACCUMULATED CONTRIBUTION INCLUDING INTEREST ON THE EFFECTIVE DAY OF THEIR RETIREMENT.

THE MEMBER'S PENSION SHALL BE REDUCED BY AN AMOUNT WHICH IS THE ACTUARIAL EQUIVALENT TO THE REFUNDED ACCUMULATED CONTRIBUTION INCLUDING INTEREST. THE ACTUARIAL EQUIVALENT AMOUNT SHALL BE COMPUTED ON THE BASIS OF THE 1971 GROUP ANNUITY, MALE MORTALITY TABLE AND AN INTEREST RATE EQUAL TO THE WEIGHTED AVERAGE YIELD TO MATURITY OF THE MERRILL LYNCH CORPORATE AND GOVERNMENT MASTER BOND INDEX, PUBLISHED MONTHLY BY MERRILL, LYNCH, PIERCE, FENNER AND SMITH, INC. AS PROVIDED BY THE ACTUARY FIRM FOR THE RETIREMENT SYSTEM.

EFFECTIVE WITH THE FISCAL YEAR BEGINNING JULY 1, 1995, EACH MEMBER SHALL NO LONGER BE CREDITED WITH TWO PERCENT (2%) INTEREST ON THE MEMBER CONTRIBUTIONS. INSTEAD, AS OF JUNE 30 OF EACH YEAR, THE PERCENTAGE INCREASE OR THE PERCENTAGE DECREASE, IF ANY, IN THE MARKET VALUE OF THE RESERVE FOR EMPLOYEE CONTRIBUTIONS SINCE THE LAST ANNUAL ADJUSTMENT AND ALL INCOME ON THE RESERVE FOR EMPLOYEE CONTRIBUTIONS FOR THE PERIOD SHALL BE CREDITED TO OR REDUCED FROM EACH MEMBER'S CONTRIBUTION ACCOUNT, WHICHEVER THE CASE MAY BE, WHICH SHALL BE DETERMINED BY THE RATIO THAT TEACH ACCOUNT BALANCE BEARS TO ALL MEMBER CONTRIBUTIONS IN THE RESERVE FOR EMPLOYEE CONTRIBUTIONS.

ARTICLE XX - TUITION REFUND & OUT-OF-STATE JOB RELATED CONFERENCES

THE CITY SHALL ASSUME THE FULL COST OF TUITION FOR ANY EMPLOYEE WHO PURSUES A COURSE THAT HAS A DIRECT RELATIONSHIP TO HIS/HER WORK WHICH HAS BEEN APPROVED BY THE DEPARTMENT HEAD AND/OR CITY MANAGER. IF SUCH TUITION IS GRANTED TO AN EMPLOYEE AND THAT EMPLOYEE TERMINATES EMPLOYMENT WITH THE CITY WITHIN TWELVE (12) MONTHS AFTER COMPLETION OF

ARTICLE XX - TUITION REFUND & OUT-OF-STATE JOB RELATED CONFERENCES

(CONTINUED)

THE COURSE, THE AMOUNT OF TUITION PAID BY THE CITY WILL BE DEDUCTED FROM HIS/HER FINAL PAY. IT SHALL BE THE POLICY OF THE CITY TO ALLOW DEPARTMENT HEADS IN GOOD STANDING IN THE NATIONAL ASSOCIATION REPRESENTING THEIR JOB RELATED ACTIVITIES TO ATTEND THAT NATIONAL CONVENTION WITHIN THE CONTINENTAL LIMITS OF THE UNITED STATES, WHETHER IT BE IN THE STATE OF MICHIGAN OR ANY STATE, EXCEPT ALASKA AND HAWAII, IF FUNDS FOR SUCH ARE APPROPRIATED IN THE BUDGET AT THE TIME OF THE CONVENTION AND, IF IN THE OPINION OF THE CITY MANAGER, THE EMPLOYEE CAN BE SPARED FROM HIS/HER JOB FOR THAT PERIOD OF TIME.

ARTICLE XXI - ALLOWANCES

ALLOWANCES FOR CARS, UNIFORM, AND FOOD ARE DELETED AND REPLACED WITH A SINGLE LUMP SUM OF \$300.00 WHICH SHALL BE ROLLED INTO THE ANNUAL WAGES EFFECTIVE 7/1/79.

NO FURTHER PAYMENT WILL BE MADE.

EFFECTIVE 7-1-91, AN ANNUAL UNIFORM AND CLEANING ALLOWANCE OF \$825 SHALL BE PROVIDED TO THE POLICE CHIEF, FIRE CHIEF AND DEPUTY POLICE CHIEF. EFFECTIVE 7-1-92, THE ALLOWANCE SHALL BE \$900 ANNUALLY AND EFFECTIVE 7-1-93, THE ALLOWANCE SHALL BE \$975 ANNUALLY.

EFFECTIVE JULY 1, 1994, THE ANNUAL UNIFORM ALLOWANCE SHALL BE \$1,075. THE ANNUAL UNIFORM ALLOWANCE SHALL BE \$500 FOR A POLICE CHIEF, DEPUTY POLICE CHIEF, OR FIRE CHIEF HIRED ON OR AFTER JULY 1, 1994, EXCEPT THAT THIS PROVISION SHALL NOT APPLY IN THE EVENT THAT A DEPUTY POLICE CHIEF HIRED BEFORE JULY 1, 1994 IS PROMOTED TO POLICE CHIEF.

THE TAXABILITY OF THE UNIFORM ALLOWANCE SHALL BE GOVERNED BY INTERNAL REVENUE SERVICE RULES.

ARTICLE XXII - MANAGEMENT RIGHTS

SECTION 1. IT IS RECOGNIZED THAT THE MANAGEMENT OF THE CITY, THE CONTROL OF ITS PROPERTIES AND THE MAINTENANCE OF ORDER AND EFFICIENCY, IS SOLELY THE RESPONSIBILITY OF THE CITY. OTHER RIGHTS AND RESPONSIBILITIES BELONGING TO THE CITY ARE HEREBY RECOGNIZED, PROMINENT AMONG WHICH, BUT BY NO MEANS WHOLLY INCLUSIVE ARE: WORK TO BE PERFORMED WITHIN THE UNIT; AMOUNT OF SUPERVISION NECESSARY; MATERIAL AND EQUIPMENT SELECTION; METHODS; SCHEDULES OF WORK; TOGETHER WITH THE SELECTION OF, PROCUREMENT OF, DESIGNING, ENGINEERING AND THE CONTROL OF EQUIPMENT AND MATERIALS, CONTRACT OR OTHERWISE.

SECTION 2. IT IS FURTHER RECOGNIZED THAT IT IS THE RESPONSIBILITY OF THE CITY FOR THE SELECTION AND THE DIRECTION OF THE INDIVIDUAL EMPLOYEES IN EACH DEPARTMENT, INCLUDING THE RIGHT TO HIRE, SUSPEND, OR DISCHARGE FOR JUST CAUSE, ASSIGN, PROMOTE OR TRANSFER, TO DETERMINE THE AMOUNT OF OVERTIME TO BE WORKED, SUBJECT TO THE SENIORITY RULES, GRIEVANCE PROCEDURE AND OTHER EXPRESS PROVISIONS OF THIS AGREEMENT.

ARTICLE XXIII - WAGES

SECTION 1. ATTACHED HERETO, AND MARKED SCHEDULES "A, B, AND C" ARE SCHEDULES SHOWING THE CLASSIFICATION AND WAGE RATES OF THE EMPLOYEES COVERED BY THIS AGREEMENT. IT IS MUTUALLY AGREED THAT SAID SCHEDULES

"A, B, AND C" AND THE CONTENTS THEREOF SHALL CONSTITUTE A PART OF THIS AGREEMENT.

SECTION 2. COST-OF-LIVING: EFFECTIVE WITH THE FIRST PAY PERIOD BEGINNING ON OR AFTER JULY 1, 1994, EMPLOYEES COVERED BY THIS AGREEMENT SHALL RECEIVE A COST-OF-LIVING ALLOWANCE IN ACCORDANCE WITH THE FOLLOWING PROVISIONS:

- A) THE AMOUNT OF THE COST OF LIVING ALLOWANCE FOR FISCAL YEARS 1994/95, 1995/96, AND 1996/97 SHALL BE DETERMINED WITH THE CHANGE IN THE BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR DETROIT, MICHIGAN, (1967=100) HEREINAFTER REFERRED TO AS THE "INDEX", FROM THE INDEX AT THE END OF JUNE IN EACH FISCAL YEAR, JUNE 30, 1995, JUNE 30, 1996, AND JUNE 30, 1997, RESPECTIVELY.

THE ALLOWANCE SHALL CONSIST OF A BASE WHICH SHALL BE THE AMOUNT OF THE ALLOWANCE IN EFFECT ON JUNE 30, 1994 PLUS ONE CENT PER HOUR FOR EACH .4 CHANGE IN THE INDEX UP TO A MAXIMUM OF THIRTY-FIVE CENTS HOURLY WHICH SHALL INCLUDE THE BASE OF THIRTY-FIVE CENTS AS DESCRIBED HEREIN.

- B) THE COST-OF-LIVING ALLOWANCE SHALL BE PAID TO EACH EMPLOYEE IN ONE LUMP SUM AT THE END OF EACH QUARTER STARTING WITH THIS AGREEMENT. SUCH COMPENSATION SHALL INCLUDE VACATION PAYMENTS, HOLIDAY PAYMENTS, CALL-IN PAY, PREMIUM PAY AND SICK PAY. IN ADDITION, COST-OF-LIVING ADJUSTMENTS SHALL NOT BE CONSIDERED A PART OF THE BASE WAGE FOR PURPOSE OF BARGAINING IN THE 1997/98 CONTRACT YEAR.
- C) IN NO EVENT WILL A DECLINE IN THE INDEX, BELOW THE JUNE, 1994 INDEX PROVIDE THE BASIS FOR A REDUCTION IN THE WAGE RATE.

ARTICLE XXIV - FRINGE BENEFITS

FRINGE BENEFITS IN THE FOLLOWING LIST WHICH ARE AWARDED TO ANY OTHER BARGAINING UNIT DURING THE LIFE OF THIS CONTRACT SHALL BECOME A PART OF THIS CONTRACT EXCEPT THAT:

- 1) NO BENEFIT AWARDED AS A RESULT OF ACT 312 ARBITRATION SHALL APPLY HERE;
- 2) PAYMENT FOR SICK LEAVE UNDER OTHER CONTRACTS SHALL NOT APPLY UNLESS THE CITY ENTERS INTO AN AGREEMENT WITH ANY OTHER GROUP OF EMPLOYEES WHICH INCLUDE BOTH SICK LEAVE BUY BACK IN FULL PLUS SHORT TERM AND LONG TERM DISABILITY COVERAGE;
- 3) THE FRINGE BENEFITS HEREIN PROVIDED SHALL BE LIMITED TO:
 - A) ANNUAL VACATION ACCRUAL;
 - B) ANNUAL NUMBER OF SICK DAYS;
 - C) ANNUAL NUMBER OF HOLIDAYS;
 - D) HOSPITALIZATION INSURANCE;
 - E) OPTICAL INSURANCE;
 - F) DENTAL INSURANCE;
 - G) LIFE INSURANCE;

ARTICLE XXIV - FRINGE BENEFITS

(CONTINUED)

- H) DISABILITY INSURANCE;
- I) RETIREMENT BENEFITS;
- J) COST-OF-LIVING ALLOWANCE;
- K) TUITION REFUND; AND
- L) \$125.00 ANNUAL PHYSICAL EXAMINATION
- M) BEREAVEMENT LEAVE

ARTICLE XXV - MATERNITY LEAVE

A MATERNITY LEAVE WITHOUT PAY WILL BE GRANTED UPON WRITTEN APPLICATION TO THE CITY MANAGER AS HEREIN PROVIDED. NOTHING IN THIS AGREEMENT SHALL SUPERSEDE THE CITY'S POLICY TO COMPLY WITH THE FAMILY AND MEDICAL LEAVE ACT (FMLA).

A. METHODOLOGY

- (1) BY THE END OF THE FOURTH MONTH OF PREGNANCY, THE EMPLOYEE MUST SUBMIT A MEDICAL REPORT FROM HER ATTENDING PHYSICIAN WHICH SPECIFIES THE PROJECTED DATE OF DELIVERY AND THE EMPLOYEE'S CONDITION AS IT AFFECTS HER ABILITY TO PERFORM HER DUTIES.
- (2) THE EMPLOYEE MAY ELECT TO BE PAID ANY ACCRUED SICK TIME AND THE LETTER REQUESTING MATERNITY LEAVE MUST SPECIFY THE EFFECTIVE DATE OF THE MATERNITY LEAVE, THE ANTICIPATED DATE OF RETURN TO WORK, WHETHER THE EMPLOYEE WILL USE ACCRUED SICK TIME, AND IF SO, HOW MANY DAYS.
- (3) THE CITY MAY, AT ITS OPTION, REQUIRE EXAMINATION OR CONSULTATION BY A PHYSICIAN SELECTED BY THE CITY, PRIOR TO APPROVAL OF THE REQUEST.

B. CONDITIONS

- (1) A MATERNITY LEAVE, WITH THE EXCEPTION OF USE OF ACCRUED SICK TIME, IS AN UNPAID MEDICAL LEAVE.
- (2) NO FRINGE BENEFITS ACCRUE TO AN EMPLOYEE ON UNPAID MATERNITY OR MEDICAL LEAVE EXCEPT INSURANCE BENEFITS IF THE EMPLOYEE IS OFF WORK AND ON APPROVED FMLA LEAVE.
- (3) UPON RETURN TO WORK, THE EMPLOYEE'S SENIORITY AND LONGEVITY DATES ARE ADJUSTED TO REFLECT LOSS OF TIME SPENT ON UNPAID MATERNITY LEAVE.
- (4) ALL PAID TIME OFF (VACATION ACCRUAL, HOLIDAYS, PERSONAL LEAVE, SICK LEAVE, ETC.) IS PRORATED UPON THE EMPLOYEE'S RETURN TO WORK TO REFLECT LOSS OF TIME SPENT ON UNPAID MATERNITY LEAVE.

C. RETURN TO WORK

- (1) THE EMPLOYEE, WITHIN THIRTY DAYS FOLLOWING TERMINATION OF THE PREGNANCY, MUST REPORT TO THE PERSONNEL DEPARTMENT AND PRESENT A MEDICAL REPORT FROM HER ATTENDING PHYSICIAN WHICH IS SPECIFIC AS TO THE EMPLOYEE'S CONDITION AS IT AFFECTS ABILITY TO WORK AND WHICH INCLUDES THE DATE THE EMPLOYEE MAY RETURN TO WORK. UPON RECOMMENDATION OF THE ATTENDING PHYSICIAN, THE EMPLOYEE MAY REQUEST AN EXTENSION OF AN ADDITIONAL THIRTY DAYS MATERNITY LEAVE. AT ITS OPTION, THE CITY MAY REQUIRE AN EXAMINATION OR CONSULTATION BY A PHYSICIAN SELECTED BY THE CITY PRIOR TO GRANTING THE REQUEST.

- (2) THE EMPLOYEE MUST RETURN TO WORK UPON COMPLETION OF THE APPROVED MATERNITY LEAVE, UPON A MUTUALLY AGREEABLE DATE, OR UPON CERTIFICATION BY A PHYSICIAN SELECTED BY THE CITY THAT THE EMPLOYEE IS ABLE TO RETURN TO REGULAR EMPLOYMENT.

D. APPLICATION OF BENEFITS

IT IS AGREED AND UNDERSTOOD THAT THE BENEFITS HEREIN DESCRIBED ARE ONLY APPLICABLE TO THE PERIOD OF TIME THE EMPLOYEE IS DISABLED AND SHALL ONLY BE APPLICABLE TO THOSE INDIVIDUALS WHO ARE DETERMINED TO BE DISABLED ON AND AFTER THE DATE OF THIS AGREEMENT.

ARTICLE XXVI - SEVERABILITY

IT IS THE INTENT OF THE CITY AND THE UNION TO WRITE A VALID WORKABLE AGREEMENT. SHOULD ANY ARTICLE OR SECTION OF THIS CONTRACT OR OF ANY RIDER ATTACHED THERETO BE HELD INVALID BY ANY COURT OF COMPETENT JURISDICTION, THE REMAINDER OF THE AGREEMENT SHALL BE HELD COMPLETELY SEPARABLE AND CONTINUE TO BE IN FULL FORCE AND EFFECT.

ARTICLE XXVII - TERMINATION OF AGREEMENT

SECTION 1. THIS AGREEMENT SHALL BE IN FULL FORCE AND EFFECT FROM JULY 1, 1994 TO AND INCLUDING JUNE 30, 1997, FOR EMPLOYEES WORKING ON THE DATE OF JULY 1, 1994 WHICH SHALL BE CONSIDERED AS THE DATE OF FINAL AGREEMENT FOR ALL WAGES, OVERTIME AND SICK TIME. THIS CONTRACT SHALL CONTINUE IN FULL FORCE AND EFFECT FROM YEAR TO YEAR THEREAFTER UNLESS WRITTEN NOTICE OF A DESIRE TO CANCEL OR TERMINATE THIS AGREEMENT IS SERVED ON EITHER PARTY BY THE OTHER PARTY AT LEAST SIXTY (60) DAYS PRIOR TO THE DATE OF THE ADOPTION OF THE CITY BUDGET FOR THE ENSUING FISCAL YEAR IN WHICH THIS AGREEMENT EXPIRES.

SECTION 2. IN THE EVENT OF AN INADVERTENT FAILURE BY EITHER PARTY TO GIVE NOTICE AS SET FORTH IN SECTION 1 OF THIS ARTICLE, SUCH PARTY MAY GIVE NOTICE AT ANY TIME PRIOR TO THE TERMINATION OF THE AUTOMATIC RENEWAL DATE OF THIS AGREEMENT. IF SUCH WRITTEN NOTICE IS GIVEN IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION, THE EXPIRATION DATE OF THIS AGREEMENT SHALL BE THE SIXTY-FIRST (61ST) DAY FOLLOWING SUCH NOTICE.

IN WITNESS WHEREOF, THE PARTIES HAVE HERETO SET THEIR HANDS AND
SEALS THIS DAY OF , A.D.

CITY OF MADISON HEIGHTS

COUNCIL 25 - AMERICAN FEDERATION
OF STATE, COUNTY & MUNICIPAL
EMPLOYEES

BY: George W. Suarez
GEORGE W. SUAREZ,
MAYOR

BY: Michael Landsiedel
MICHAEL LANDSIEDEL
STAFF REPRESENTATIVE, AFSCME

BY: Jon R. Austin
JON R. AUSTIN,
CITY MANAGER

BY: Ronald F. Pearce
RONALD F. PEARCE
PRESIDENT

APPROVED AS TO FORM:

BY: James L. Keary
JAMES L. KEARY
VICE-PRESIDENT

BY: Larry H. Sherman
LARRY H. SHERMAN,
CITY ATTORNEY

SALARY SCHEDULE "A"

JULY 1, 1994 TO JUNE 30, 1995

		<u>START</u>	<u>6 MONTHS</u>	<u>12 MONTHS</u>
001	POLICE CHIEF	\$62,002	\$65,446	\$68,891
002	FIRE CHIEF	60,852	64,232	67,613
003	COMMUNITY DEVELOPMENT DIR. ASSESSOR	56,947	60,104	63,267
004				
005	DEPUTY POLICE CHIEF	55,790	58,890	61,989
006	CITY CLERK	53,950	56,947	59,944
007	LIBRARIAN	53,144	56,097	59,049
008	DEPUTY SUPERINTENDENT, DPS	52,188	55,088	57,987

SALARY SCHEDULE "B"

JULY 1, 1995 TO JUNE 30, 1996

		<u>START</u>	<u>6 MONTHS</u>	<u>12 MONTHS</u>
001	POLICE CHIEF	\$63,552	\$67,082	\$70,613
002	FIRE CHIEF	62,373	65,838	69,303
003	COMMUNITY DEVELOPMENT DIR. ASSESSOR	58,371	61,607	64,849
004				
005	DEPUTY POLICE CHIEF	57,185	60,362	63,539
006	CITY CLERK	55,299	58,371	61,443
007	LIBRARIAN	54,473	57,499	60,525
008	DEPUTY SUPERINTENDENT, DPS	53,493	56,465	59,437
009	MANAGEMENT INFORMATION SYSTEMS (MIS) ADMINISTRATOR	48,012	50,679	53,342

SALARY SCHEDULE "C"

JULY 1, 1996 TO JUNE 30, 1997

		<u>START</u>	<u>6 MONTHS</u>	<u>12 MONTHS</u>
001	POLICE CHIEF	\$65,459	\$69,094	\$72,731
002	FIRE CHIEF	64,244	67,813	71,382
003	COMMUNITY DEVELOPMENT DIR. ASSESSOR	60,122	63,455	66,794
004				
005	DEPUTY POLICE CHIEF	58,901	62,173	65,445
006	CITY CLERK	56,958	60,122	63,286
007	LIBRARIAN	56,107	59,224	62,341
008	DEPUTY SUPERINTENDENT, DPS	55,098	58,159	61,220
009	MANAGEMENT INFORMATION SYSTEMS (MIS) ADMINISTRATOR	49,452	52,199	54,942

