

MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF FIFE AND THE I.A.M.A.W.

Regarding

2014 – 2019 COLLECTIVE BARGAINING AGREEMENT

Vacation, Sick leave, VEBA and Job Classifications

This MOU is dated for reference purposes the 30th day of June, 2014, and covers four areas in the current CBA. The first item relates to vacation accrual for regular part-time employees (CBA 8.2). The second item relates to sick leave accrual for regular part-time employees (CBA 10.1(a)). The third item relates to a situation triggered by federal law where some employees may be better served by being in a VEBA as opposed to an HSA (CBA 16.4). The fourth item relates to the list of job classifications (CBA Exhibit B). Where current CBA language is being modified the entire section being modified is set forth below, with deletions being shown as strike outs, and additions being underlined.

1. CBA Paragraph 8.2. When the current CBA was negotiated, the parties agreed to change the calculation of the vacation accrual for regular-part time employees from an hourly basis, to simply accruing vacation for all regular part time employees at ½ of the accrual rate of full time employees. The new language was added to the contract, but the formula for calculating accrual by the number of hours worked for each regular part time employee was left in. Accordingly, the old formula needs to be removed and CBA Article 8.2 will read as follows:

8.2 Regular Part-Time Employees.

Regular part-time employees shall receive vacation at one half the full time employee accrual rate, but with the same accumulation maximum. Except as provided in Article 8.2, regular part-time employees' use of vacation shall be subject to the same rules, procedures, and policies applicable to full-time employees.

2. CBA Paragraph 10.1(a) . When the current CBA was negotiated, the parties agreed to change the calculation of the sick leave accrual for regular-part time employees from an hourly basis to simply one half of the accrual rate for regular full time employees. The new language was not added to the contract. Accordingly CBA Article 10.1(a) will read as follows:

10.1(a) Sick leave for regular full-time employees for non-duty connected injury or illness shall be computed at the rate of eight (8) hours per month up to ninety-six (96) hours each year with a maximum accumulation of 1,600 hours. Sick leave for regular part-time employees for non-duty connected injury or illness shall be computed at the rate of four (4) hours per month up to forty-eight (48) hours each year with a maximum accumulation of 800 hours. Such leave shall be granted upon application before or within a reasonable time after the absence, depending upon the circumstances of each case. If an injury or unforeseen illness occurs during vacation,

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sick leave may be used in lieu of vacation upon a physician's written approval. Sick leave for new members shall commence accumulating at date of entry in the department. Upon termination for any reason, a regular employee shall be paid for his/her actual accumulated sick leave pursuant to the following formula:

- 1st 400 hours at 25%
- 2nd 400 hours at 50%
- 3rd 400 hours at 75%

Employees shall not receive any compensation for accumulated sick leave in excess of 1600 hours for full time and 800 hours for part time.

Such pay shall be considered severance pay.

3. CBA Paragraph 16.4. The first sentence of CBA paragraph 16.4 reads as follows:

The City shall provide an HSA, flexible spending plan, or other medical savings plan that qualifies as a health reimbursement arrangement for IRS and FLSA purposes.

It has come to the attention of the City and the IMAW that under federal law, some employees may not be able to take advantage of participating in the HSA because, although the employee is eligible to carry a dependent on the City offered health insurance plan, unless the employee claims the dependent as a dependent on the employee's tax return the employee would not be able to use its HSA to pay for the dependent's health care expense. Thus, the City has agreed to also provide a VEBA as an alternative for employees who, for whatever reason, would rather participate in a VEBA than an HSA. The above contract language is being construed by the parties to mean that regardless of which flexible spending plan is chosen by the City, the City shall always provide access to a plan, to the extent such a plan is available, that will allow an employee who is eligible to carry a dependent on the City offered health insurance plan to pay the dependents eligible medical expenses from the medical savings plan. At the current time there a VEBA that would meet this qualification, so the City will offer to the employees a VEBA plan, as well as the plan the City has currently chosen, which is an HSA. The employee can then choose which of the plans it wants to enroll in. It is intended that the employee will not change plans more than once per year.

4.) Exhibit B -Updated job classifications. In the last negotiations the parties removed an Exhibit B job description because the job duties met the PERC definition of a supervisor, even though the job title didn't indicate it was a supervisory position. Also, certain job classification titles were changed because, although the titles indicated the job was a supervisory position, the job duties did not meet the PERC definition of a supervisor. During this process, however, two job classifications were missed. The "Aquatics Manager" position and the "Aquatics Supervisor" positions have not existed for several years due to a department

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reorganization, but the reference in Exhibit B was not removed. Accordingly, the position and pay range for the Aquatics Manager and Aquatics Supervisor are removed from Exhibit B.

The above referenced contract changes are to be considered as part of the CBA, and it is the intent of the parties that these provisions will be automatically incorporated into the CBA when the parties negotiate a new CBA at the end of the current CBA term, unless a party specifically lists one or more of the items in this MOU as an open item for negotiation.

CITY OF FIFE

I.A.M.A.W. District Lodge 160, Local Lodge 297



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