RESOLUTION NO. 2014-45

RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA RATIFYING AND APPROVING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN HIALEAH CIVIL SERVICE EMPLOYEES ASSOCIATION, AFSCME, LOCAL 161, AND THE CITY OF HIALEAH, FLORIDA FOR A PERIOD FROM THE EFFECTIVE DATE, MARCH 25, 2014 THROUGH SEPTEMBER 30, 2016, A COPY OF WHICH WILL BE ON FILE IN THE OFFICE OF THE CITY CLERK.

WHEREAS, pursuant to Hialeah, Fla., Resolution 12-33 (Mar. 13, 2012), the City of Hialeah approved a ratified a Collective Bargaining Agreement between the Hialeah Civil Service Employees Association, AFSCME, Local 161,("AFSCME") and the City of Hialeah from April 1, 2014 through September 30, 2016; and

WHEREAS, the City and AFSCME reopened the existing Collective Bargaining Agreement during the third year to eliminate the 7% pre-tax health insurance contribution and to enact pension reform; and

WHEREAS, on March 20, 2014, AFSCME bargaining unit members ratified the proposed collective bargaining agreement by majority vote of the votes cast of the bargaining unit members.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

Section 1: The Mayor and the City Council of the City of Hialeah, Florida hereby ratify and approve the Collective Bargaining Agreement between Hialeah Civil Service Employees Association, ASFCME, Local 161, and the City of Hialeah, Florida for a period from April 1, 2012 through September 30, 2014, a copy of which will be on file in the Office of the City Clerk.

PASSED AND ADOPTED this 25 day of March, 2014.

Isis Garcia-Martinez
Council President

Attest:

Marbelys Fatjo, Acting City Clerk

Approved on this 25 day of March, 2014.

Mayor Carlos Hernandez

Approved as to form and legal sufficiency:

William M. Grodnick, City Attorney

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Resolution was adopted by a 6-0-1 vote with Council Members, Caragol, Casáls-Muñoz, Cue-Fuente, Garcia-Martinez, Hernandez and Lozano voting "Yes"& Council Vice President Gonzalez absent.

CITY OF HIALEAH
CITY ATTORNEY'S OFFICE

MEMORANDUM

TO: Mayor Carlos Hernandez, and
Members of the Hialeah City Council

FROM: William M. Grodnick, City Attorney

DATE: March 20, 2014

RE: Approval of Collective Bargaining Agreement between the Hialeah Civil Service Employees Association, AFSCME Local 161, and the City of Hialeah

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The proposed Collective Bargaining Agreement being presented for approval covers approximately 2½ years, from March 25, 2014 through September 30, 2016. The proposed Agreement includes major pension reform representing substantial savings over a 30-year period, which will reduce the unfunded or future liability of the Hialeah Retirement System. The proposed changes to the Collective Bargaining Agreement are as follows:

Article 43. Pension

1. **Change from Non-Contributory System to Contributory System.** The proposed change for each new or future year for existing general employees hired before April 1, 2012 is as follows: From May 15, 2014 through September 30, 2014, such existing employees shall pay a 5% contribution based on compensation based on the amount of salary, longevity, incentive and special pay. From October 1, 2014 and thereafter, the employee pension contribution will be reduced to 4%. At any time in the future, if funding of the pension plan exceeds 80% funded, the employee contribution will be reduced to 3%. If funding of the Pension Plan exceeds 100% funded, there will be no employee contribution. General employees who are eligible for full retirement benefits as of May 14, 2014 (20 years of civil service and 70 points when age plus years of civil service are combined) do not pay the pension contribution. The employee will be provided an employee pension contribution election form each year in which to decide among the following options. The example represents this year's option.

   - **Deduct the 5% pension contribution from the 7% annuity contribution and return the remaining 2% to my paycheck**
   - **Deduct the 5% pension contribution from the 7% annuity contribution and keep the remaining 2% in my annuity account**
   - **Deduct my 7% annuity contribution and also deduct the 5% pension contribution from my paycheck**
   - **Deduct a portion of the 5% pension contribution from my 7% annuity account and a portion of the 5% pension contribution from my paycheck.**

2. **Extension of civil service years with retirement benefits.** General employees who have worked in excess of 25 years of actual civil service may receive an additional retirement benefit of 1.5% for each year of additional service up to a maximum of three years or a total of 4.5% added to your multiplier to calculate pension benefits. This extension is added to the maximum normal retirement benefits for the first 25 years of 75% using the 3% multiplier for each year of service. For example:

26 years of civil service	76.5% of final average compensation
27 years of civil service	78% of final average compensation
28 years of civil service	79.5% of final average compensation

3. **Reemployment.** The collective bargaining agreement proposes a change to the Retirement Code to extend the gap from 4 years to 10 years between the first employment with the City and the second employment with the City for the employee to use or credit past years of civil service during the first employment towards the employee's retirement.

Article 47. Notes to the Pay Plan

There will be no salary increase from October 1, 2014 through March 31, 2015. On April 1, 2015, there will be a 2% salary increase to base pay. On October 1, 2015, there will be an additional 2% salary increase to base pay. Please be reminded that the proposed agreement provides that merit steps and 15-year anniversary pay raises will resume on July 1, 2014. Merit steps and 15-year anniversary pay raises will be calculated starting from July 12, 2010, the date when the merit steps and anniversary pay raises were first suspended.

Article 38. Health Insurance Provisions

The 7% pre-tax health insurance contribution from the employee's paycheck will be eliminated on May 15, 2014. The health insurance options, the City of Hialeah Self-Funded Group Health Program—Base Plan, the City of Hialeah Self-Funded Group Health Program-Premier Plan and the Health Maintenance Organization (HMO), have been offered to the employees during the last open enrollment. The employees have already made their selections during the open enrollment. Other changes are as follows:

1. **No City insurance contribution for vested (deferred retirees) employees who do not receive full retirement benefits.** Retirees will pay full insurance premium for retirees and dependents for whatever insurance that the City provides to current employees.

2. **No City contribution for non-job-related disability retirees.** Retirees will pay full insurance premium for retirees and dependents for whatever insurance that the City provides to current employees.

Article 37. Vacation

The vacation hours that an employee may accumulate in the employee's time back has been increased from 225 hours to 300 hours. A vacation roster remains open for 40 days and takes priority over other requests. The proposed minimum time for requests for vacation outside the vacation roster has been reduced from 40 days to 25 days.

Article 14. Grievance Procedure

The City and the Union may select to utilize a panel of arbitrators from the American Arbitration Association or the Federal Mediation and Conciliation Services to decide arbitrations concerning grievances.

Article 48. Part Time Employees

Merit steps will be reinstated effective July 1, 2014. The increase will be based on the starting point of the employees' status as of July 12, 2010. Overtime shall commence only if the employee works more than 40 hours during the work week. Any part-time employee who was hired on or after April 1, 2012 is not entitled to any insurance benefit upon separation from the City. Any part-time employee hired before April 1, 2012, who is currently eligible for retirement, may continue City health insurance benefits, upon retirement, but will be responsible for the full cost of coverage. This applies to those part-time employees who are in the retirement system.

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ARTICLE 14

GRIEVANCE PROCEDURE

It is the policy of the City and the Union to encourage discussion on an informal basis. Such discussion should be held with a view to reaching an understanding that will resolve the matter in a manner satisfactory to the parties, without need for recourse to the written Grievance Procedure; provided, however, that resolution of a grievance is consistent with the terms of this Agreement. No discussion between an employee and the City under the provision of this Article, and prior to the filing, in writing, of a grievance, shall, however, serve to operate as an election of remedies as per Article 15, Discharge and Discipline.

Section 1.

It is agreed to and understood by both parties that there shall be a procedure for the resolution of grievances. The Union has the right not to process grievances of employees who are not dues paying members of the Union. It is agreed that the Union reserves the exclusive right to process grievances at any step of the grievance procedure, including arbitration. Any member of the bargaining unit may process a grievance through representation of his/her own choosing. If a bargaining unit member processes his/her own grievance, the Union shall be sent a copy of all grievances, written responses and participate as an interested party to assure that the grievance is resolved in accordance with the provisions of this contract. The Union accepts its duty of fair representation but retains its right to preclude the processing of non-meritorious grievances through the steps of this grievance procedure, inclusive of arbitration.

Section 2.

A grievance is any dispute, controversy or difference between (a) the parties, or (b) the City and an employee or employees on any issue with respect to the interpretation or application of this Contract. Any grievance not conforming to the provisions of this paragraph shall be denied.

Section 3.

Nothing in this Article or elsewhere in this Agreement shall be construed to permit the Union to process a grievance (a) on behalf of any employee without consent, or (b) with respect to any matter which is the subject of a grievance, appeal, administrative proceeding, or judicial/quasi-judicial proceeding before any governmental board, agency, or court brought by an

individual employee or group of employees, or by the Union. It is further agreed by the Union that employees covered by this Agreement shall make an exclusive election of remedies available to them. Selection of redress other than through the Grievance Procedure contained herein shall preclude the aggrieved party or parties from utilizing the Grievance Procedure for the adjustment of a grievance.

Section 4.

Any grievance not processed by the aggrieved or his/her representative in accordance with the time limits provided for in this Article, except as mutually extended as provided herein, shall be considered conclusively abandoned. Any grievance not answered by Management within the time limits provided for in this Agreement and not mutually extended as provided herein shall automatically advance to the next higher step of the Grievance Procedure. Time limits can only be extended by mutual agreement of the Union and management in writing.

Section 5.

Where a grievance is general in nature in that it applies to a number of employees having the same issue to be decided, or if the grievance is directly between the Union and the City, it shall be presented directly to the Mayor at Step 4, within thirty (30) calendar days of the occurrence which gave rise to the grievance, and signed by the aggrieved employees or the Union representative on their behalf. Submission of this general grievance shall serve as an election of remedies.

Section 6.

A grievance shall be processed in accordance with the following procedure:

Step 1. The Union and/or the aggrieved employee shall file a written grievance with their Department/Division head within thirty (30) calendar days of the occurrence that gave rise to the grievance. The grievance must be on the grievance form.

Step 2. Within thirty (30) calendar days of the receipt of the grievance, the Department/Division head shall respond to the Union and the aggrieved employee, when the employee is proceeding without Union representation.

Step 3. If not resolved at Step 2, the grievance and the Department/Division head's response will be served by the Department/Division Head on the Human

Resources Director within ten (10) calendar days, at which time a labor/management conference will be scheduled comprised of not more than three (3) representatives from the City and three (3) representatives from the Union. The labor/management meeting shall be held as soon as practicable. If a labor/management conference is not scheduled within thirty (30) calendar days either party shall have the option of moving to the next Step.

Step 4. If the issue is not resolved at the labor/management step, a grievance appeal may then be filed within thirty (30) calendar days with the Mayor, who shall have thirty (30) calendar days to respond.

Step 5.

5.1. If the grievance is not resolved at Step 4, the party desiring arbitration shall request in writing, within ten (10) calendar days of when the Mayor's response was due, a panel of arbitrators from the American Arbitration Association ("AAA"), or Federal Mediation and Conciliation Services ("FMCS"), the grievance shall be considered abandoned. The City will pay 50% of the initiation fee of grievances filed with American Arbitration Association or Federal Mediation and Conciliation Services ("FMCS"), not to exceed $500.00 for each year. A copy of the request for a panel shall simultaneously be sent to the other side. The party requesting arbitration shall be the first to strike a name. The parties shall then alternately strike names until one name remains, which shall be the name of the arbitrator. The parties may agree to select an Arbitrator by mutual consent.

5.2. The arbitration shall be conducted under the rules of the American Arbitration Association or Federal Mediation and Conciliation Services ("FMCS"),, subject to the following: the arbitrator shall not have jurisdiction and authority to change, amend, add to, subtract from or otherwise alter or supplement this Agreement or any part thereof or any amendment thereto; the arbitrator shall have no authority to consider or rule upon any matter which is stated in this Agreement not to be subject to arbitration or which is not a grievance as defined in this Agreement; or

which is not specifically covered by this Agreement; nor shall this Collective Bargaining Agreement be construed by an arbitrator to supersede applicable laws in existence at the time of the signing of this Agreement.

5.3. The arbitrator may not issue declaratory or advisory opinions and shall confine himself/herself exclusively to the question, which is presented to him/her, which question must be actual and existing.

5.4. The fee and expenses of the arbitrator shall be paid by the party who loses the appeal to arbitration, except as provided below. Each party shall fully bear its own costs regarding witnesses and representation. In the event the parties agree to schedule more than one case on a given day or on multiple days, then the fees and expenses of the arbitrator shall be shared equally by the parties. The parties agree that where multiple cases are to be heard by one arbitrator, the parties agree to identify those cases thirty (30) calendar days in advance of any arbitration hearing.

5.5. Copies of the award of the arbitration made in accordance with the jurisdiction or authority under this Agreement shall be furnished to both parties within thirty (30) calendar days of the hearing and shall be final and binding on both parties.

ARTICLE 37

VACATION

Section 1.

Members of the Bargaining Unit shall be entitled to annual vacation, in accordance with the following schedule:

Completed years of service prior to any January 1st	Hours of Vacation
1, 2, 3, or 4 years	75 hours
5 or 6 years	112 ½ hours
7 or 8 years	120 hours
9 or 10 years	127 ½ hours
11 or 12 years	135 hours
13 or 14 years	150 hours
15 or 16 years	157 ½ hours
17 or 18 years	165 hours
19 or 20 years	172 ½ hours
21 or more years	187 ½ hours

For employees hired after December 12, 2000, the vacation schedule shall be the following:

Completed years of service prior to any January 1st	Hours of Vacation
2 – 3 years	37.50 hours
4 years	56.25 hours
5* – 10 years	75.00 hours
11 – 15 years	112.50 hours
16 + years	150.00 hours

* This only applies to employees hired from January 2, 2002 to September 30, 2004, and who are thereby first eligible to receive 75 hours of vacation on or after January 1, 2008.

For employees hired after September 30, 2004, the vacation schedule shall be the following:

Completed years of service prior to any January 1st	**Hours of Vacation**
1-3 years	37.50 hours
4 years	56.25 hours
5 -10 years	75.00 hours
11-15 years	112.50 hours
16 + years	150.00 hours

Section 2.

In the event that a death in the family occurs while the employee is on vacation, the employee shall be entitled to Bereavement Leave as authorized in Article 21 provided the employee notifies the Department of such death prior to the end of his vacation. Time authorized to be charged to Bereavement Leave under Bereavement Leave, Article 21, shall not be charged against the employee's vacation time.

Section 3.

Where an illness of three (3) days or more occurs during a vacation an employee may charge this time to sick leave. If an employee is ill for more than three (3) days, and-produces a doctor's note to their Department, such time charged to sick leave shall not be charged against the employee's accrued vacation.

Section 4.

All Bargaining Unit employees shall be permitted to continue to accumulate and bank ~~thirty (30) vacation days~~ 300 hours in accordance with the rules and regulations under which said vacation days had previously been accumulated.

Section 5.

The City will continue its present policy for payment of prepaid vacation checks.

Section 6.

Employees who have accumulated at least fifty (50) days of sick leave as of January 1, shall be permitted to use up to five (5) days of that accumulated sick leave as bonus vacation.

Section 7

A. Commencing November 1, 1986, each department/division shall post a vacation roster and accept requests for vacations for the following year, which shall be based on seniority within the classification. Vacation roster shall take precedent over requests after said roster has been established. This would preclude an individual with greater seniority bumping an individual on the roster with less seniority. The roster shall remain open for forty-(40) days. Vacation shall then be confirmed within ten (10) days after the closing of the roster. In the event two (2) employees submit requests for vacation on the same date, for the same or substantially similar vacation periods, and the City is unable to honor both requests, the determining factor in awarding the requested vacation shall be the seniority of the employee by job classification.

B. Requests for vacation outside of the vacation roster will be submitted by the employee to the Department or Division Head, a minimum of ~~forty (40)~~ twenty-five (25) days prior to the commencement of the requested vacation. Therefore, the department shall confirm the employee's vacation request within ten (10) days after receipt of the request. Every attempt will be made by the City to honor the employee's request.

Determining factors in awarding the vacation shall be the respective dates of the requests, i.e., the earlier request to be honored first and the needs of the Department/Division.

C. The ~~forty (40)~~ twenty-five (25)-day time provisions set forth in Section 7 (B) may be waived for a given employee with the agreement of the Department/Division Head and the employee.

D. Confirmed vacation requests will only be subject to cancellation if the department experiences an unforeseeable emergency requiring the attendance of the employee at work. The Mayor shall approve any request to cancel a vacation because of an unforeseeable emergency.

ARTICLE 38

HEALTH INSURANCE PROVISIONS

Section 1. The City offers the following ~~two (2)~~ three (3) Options, with regard to Health Insurance to the bargaining unit members. Members may elect to enroll in one of the ~~two~~ three options as provided herein. Only members electing one of these ~~two (2)~~ three (3) options will be enrolled in a term life policy, as provided in Section 3 below.

Option 1. CITY OF HIALEAH SELF-FUNDED GROUP HEALTH PROGRAM BASE PLAN

~~In conjunction with the benefits presently received under the City's Self-Funded Group Health Program, which is incorporated herein by reference, bargaining unit members shall receive the following benefits:~~

~~A. There will be no lifetime group health insurance cap or maximum limitation as so provided in the 2010 Healthcare Reform Act to the extent that it remains federal law.~~

~~B. The City will provide a health benefit program that utilizes a managed care approach, commonly referred to as a preferred provider organization (PPO). This managed health care program will provide the employees with a comprehensive health care network. The provider network will consist of doctors, hospitals and other services, including a prescription drug program, who have agreed to offer medical services to employees at reduced negotiated fees. Maximum plan benefits will be received when the employee uses the participating provider network. When utilizing In-Network providers, benefits will be paid at a 90% / 10% co-insurance basis. The In-Network co-payment for doctor office visits are $25.00/visit and $50.00 for specialists. In-Network co-insurance for doctor visits will be paid @ 100% of the negotiated charges. Should employees utilize Out-of-Network services, they will be responsible for increased deductibles and co-payments. Prescription drugs will require mandatory generic, if available. $25.00 annual deductible for prescription drugs. The employee co-payment will be based on a three (3) tier program: (1) $10.00 generic; (2) $30.00 brand, when no generic available; and (3) $50.00 with a formulary for brand name drugs, when no generic available and more than one (1) brand's~~

~~available. All mail order prescriptions will receive a three (3) month supply for two (2) times the monthly co-payment.~~

~~C. When utilizing Out-of-Network doctors, hospitals or other services, benefits will be paid at 70%/30% co-insurance basis, in accordance with the City of Hialeah's Self-Funded Group Health Program, Summary Plan Description "SPD". References to maximum out-of-pocket expenses for In-Network providers is $3,000. The deductible for In-Network services shall be $500.00 per individual/$1,000 per family. Maximum out-of-pocket for Out-of-Network services is $6,000. The deductible for Out-of-Network services shall be $750 per individual / $2,250 per family.~~

~~D. Pre-certification is required, whether In-Network or Out-of-Network, for all hospital admissions, outpatient surgery and diagnostic testing. For Out-of-Network hospital admissions and outpatient surgery, there will be an additional $250 dollar co-payment per day (maximum of 3 days); Out-of-Network hospital benefits will be capped at the maximum allowable Medicare reimbursement rate or outpatient surgery (Out-of-Network), per day (maximum 3 days). Emergency Room co-pay shall be $250.00~~

~~E. The employees bi-weekly premium shall remain through December 31, 2012:~~

~~1. Employee only $75.00~~

~~2. Employee plus one dependent $99.00~~

~~3. Employee plus two or more dependents $109.00~~

~~Effective January 1, 2013, the employee's bi-weekly premium shall increase to:~~

~~1. Employee only $95.00~~

~~2. Employee plus one dependent $119.00~~

~~3. Employee plus two or more dependents $129.00~~

~~No further increase in premiums in 2014.~~

~~F. Part-time employees to pay 35% of total self-funded premium charge as established by the City. Accordingly, rates for part-time employees are subject to change.~~

G. ~~The insurance year for purpose of deductibles under "B" and "C" above shall be January 1 each year.~~

H. ~~Expenses due to a vehicular accident for which the employee and/or his or her covered dependent(s) could have been covered and paid through a statutory required~~

~~zero deductible Personal Injury Protection (PIP) insurance policy covering a vehicle owned or leased by the participant, and/or his or her covered dependent(s), and for which such insurance was available regardless of whether or not such coverage was actually purchased by the participant, and/or his or her covered dependent(s), and whether or not such insurance was in force at the time of the accident, shall not be payable by the City's Health Insurance Program. This is not intended to preclude from coverage employee A, who is injured in an accident involving employee B's vehicle, when employee B does not comply with this section, unless employee A is a covered dependent under employee B's city insurance.~~

I. ~~A Summary Plan Description is available on the website of the City of Hialeah under the Risk Management Page or available upon request at the Risk Management Office.~~

~~**Option 2. HEALTH MAINTENANCE ORGANIZATION (HMO)**~~

~~The City agrees to contribute up to the following monthly amounts per employee to offset the cost of the alternate Health Maintenance Organization (HMO) Plan, approved by the City.~~

~~A. Current HMO Contributions by the City:~~

~~1. Employee only - $235.80~~

~~2. Employee plus one dependent - $425.06~~

~~3. Employee plus two or more dependents - $614.32~~

~~B. For Part-time Employees, the City agrees to contribute $57.00 per month to offset the cost of any alternate insurance plan or HMO approved by the City.~~

~~Should the actual premium charged by the HMO be greater than the contribution made by the City for either employee only, employee plus one dependent or employee plus two or more dependents, the employee will be responsible for any difference in premium cost.~~

~~The City increased the current monthly, per employee, alternate insurance contribution to the Health Maintenance Organization (HMO), 10% effective January 1, 2014, subject to the City's right to negotiate with an alternate insurance provider over any proposed premium increase. The City's obligation to pay up to the premium increase, as set forth above, shall be limited to those premium increases formulated on providing the same level and type of benefits as currently provided, and shall not include any portion of a premium increase attributable to an increase in benefit levels or benefit types, except for benefits required to be provided by law.~~

~~The City understands that the HMO coverage provided by the City has a limited service area in South Florida. As an alternative to those eligible retirees who reside outside the service area and wish to procure group health coverage through an alternate HMO carrier, the City will provide a contribution that will be no more than what the City contribution would be if the retiree had selected the HMO Option 3~~2. ~~In order to receive this contribution, the retiree will provide proof of purchase of individual single coverage through an alternate HMO carrier. The City shall negotiate and provide insurance plans, except for benefits required to be provided by law.~~

A. The City will provide a health benefit program that utilizes a managed care approach, commonly referred to as a preferred provider organization (PPO). This managed health care program will provide the employees with a comprehensive health care network. The provider network will consist of doctors, hospitals and other services, including a prescription drug program, who have agreed to offer medical services to employees at reduced negotiated fees. Maximum plan benefits will be received when the employee uses the participating provider network. The In-Network co-payment for doctor office visits are $25.00/visit and $50.00/visit for specialists. In-Network co-insurance for doctor visits only will be paid at 100%, where the City will reimburse the negotiated charges. When utilizing In-Network providers, benefits will be paid at a 80%/20% co-insurance basis. Should employees utilize Out-of-Network services, they will be responsible for increased deductibles and co-payments.

B. When utilizing Out-of-Network doctors, hospitals or other services, benefits will be paid at 60%/40% co-insurance basis, in accordance with the City of Hialeah's Self-Funded Group Health Program Summary Plan Description "SPD". References to maximum out-of-pocket expenses for in-network providers is $4,000.00 per person. The deductible for In-Network services shall be $1,000.00 per individual/ $3,000.00 per family. Maximum out-of-pocket for Out-of-Network services is $8,000.00 per person. Prescription drugs will require mandatory generic, if available. $25.00 annual deductible for prescription drugs. The employee co-payment will be based on a four tier program: $10.00 generic, $30.00 brand, when no generic

available, with a formulary for brand names drugs $50.00, when no generic available and more than one (1) brand is available, and self-administered injectable drugs where member is responsible for 20%. All mail order prescriptions will receive a three (3) month supply for two (2) times the monthly co-payment. Prescription drugs will require mandatory generic, if available. The deductible for Out-of-Network services shall be $2,000.00 per individual $4,000.00 per family.

C. Precertification is required, whether In Network or Out-of-Network, for all hospital admissions, outpatient surgery and diagnostic testing. Emergency Room co-pay shall be $250.00. Urgent Care co-pay shall be $50.00. Emergency and Non-Emergency Ambulance Services shall be $75.00 per transport.

D. Effective January 1, 2014 the employee's biweekly contribution shall be:

1. Employee only $43.27
2. Employee plus spouse $100.38
3. Employee plus child(ren) $93.71
4. Family $140.71

E. The insurance year for purpose of deductibles under "B" above shall be January 1st of each year.

F. Expenses due to a vehicular accident for which the employee and/or his or her covered dependent(s) could have been covered and paid through a statutory required zero deductible Personal Injury Protection (PIP) insurance policy covering a vehicle owned or leased by the participant, and/or his or her covered dependent(s), and for which such insurance was available regardless of whether or not such coverage was actually purchased by the participant, and/or his or her covered dependent(s), and whether or not such insurance was in force at the time of the accident, shall not be payable by the City's Health Insurance Program. This is not intended to preclude from coverage employee A, who is injured in an accident involving employee B's vehicle, when employee B does not comply with this section, unless employee A is a covered dependent under employee B's city insurance.

G. Schedule of Benefits for Comprehensive Major Medical Benefits and a summary of Covered Services as provided on Risk Management's Memorandum dated October 25, 2013.

Option 2. CITY OF HIALEAH SELF-FUNDED GROUP HEALTH PROGRAM PREMIER PLAN

A. The City will provide a health benefit program that utilizes a managed care approach, commonly referred to as a preferred provider organization (PPO). This managed health care program will provide the employees with a comprehensive health care network. The provider network will consist of doctors, hospitals and other services, including a prescription drug program, who have agreed to offer medical services to employees at reduced negotiated fees. Maximum plan benefits will be received when the employee uses the participating provider network. When utilizing In-Network providers, benefits will be paid at a 90% / 10% co-insurance basis. The In-Network co-payment for doctor office visits are $25.00/visit and $50.00/visit for specialists. In-Network co-insurance for doctor visits will be paid at 100% of the negotiated charges. Should employees utilize Out-of-Network services, they will be responsible for increased deductibles and co-payments. Prescription drugs will require mandatory generic, if available. The employee co-payment will be based on a three (3) tier program: (1) $10.00 generic; (2) $30.00 brand, when no generic available; and (3) $50.00 with a formulary for brand name drugs, when no generic available and more than one (1) brand's available. All mail order prescriptions will receive a three (3) month supply for two (2) times the monthly co-payment.

B. When utilizing Out-of-Network doctors, hospitals or other services, benefits will be paid at 70%/30% co-insurance basis, in accordance with the City of Hialeah's Self-Funded Group Health Program, Summary Plan Description "SPD". References to maximum out-of-pocket expenses for In-Network providers is $3,000. The deductible for In-Network services shall be $500.00 per individual/ $1,000.00 per family. Maximum out-of-pocket for Out-of-Network services is $6,000 per person. Prescription drugs will require mandatory generic, if available. $25.00 annual deductible for prescription drugs. The deductible for Out-of-Network services shall be $750 per individual / $2,250 per family.

C. Pre-certification is required, whether In-Network or Out-of-Network, for all hospital admissions, outpatient surgery and diagnostic testing. Out-of-Network hospital benefits will be capped at the maximum allowable Medicare reimbursement rate or outpatient surgery (Out-of-Network), per day (maximum 3 days). Emergency Room co-pay shall be $250.00.

Urgent Care co-pay shall be $50.00. Emergency and Non-Emergency Ambulance Services shall be $75.00 per transport.

D. Effective January 1, 2014 the employee's biweekly contribution shall be:

1. Employee only $73.15
2. Employee plus spouse $169.66
3. Employee plus child(ren) $158.37
4. Family $237.82

E. The insurance year for purpose of deductibles under "B" and "C" above shall be January 1 each year.

F. Expenses due to a vehicular accident for which the employee and/or his or her covered dependent(s) could have been covered and paid through a statutory required zero deductible Personal Injury Protection (PIP) insurance policy covering a vehicle owned or leased by the participant, and/or his or her covered dependent(s), and for which such insurance was available regardless of whether or not such coverage was actually purchased by the participant, and/or his or her covered dependent(s), and whether or not such insurance was in force at the time of the accident, shall not be payable by the City's Health Insurance Program. This is not intended to preclude from coverage employee A, who is injured in an accident involving employee B's vehicle, when employee B does not comply with this section, unless employee A is a covered dependent under employee B's city insurance.

G. Schedule of Benefits for Comprehensive Major Medical Benefits and a summary of Covered Services as provided on Risk Management's Memorandum dated October 25, 2013.

Option 3. HEALTH MAINTENANCE ORGANIZATION (HMO).

A. The City agrees to contribute up to the following monthly amounts per employee to offset the cost of the alternate Health Maintenance Organization (HMO) Plan, approved by the City.

Effective January 1, 2014, the City monthly HMO contribution shall be:

1. Employee only $259.38

2. Employee plus one dependent $467.57

3. Employee plus two or more dependents $675.75

Should the actual premium charged by the HMO be greater than the contribution made by the City for either employee only, employee plus one dependent or employee plus two or more dependents, the employee will be responsible for any difference in premium cost. The City understands that the HMO coverage provided by the City has a limited service area in South Florida. As an alternative to those eligible retirees who reside outside the service area and wish to procure group health coverage through an alternate HMO carrier, the City will provide a contribution that will be no more than what the City contribution would be if the retiree had selected the HMO Option 3. In order to receive this contribution, the retiree will provide proof of purchase of individual single coverage through an alternate HMO carrier. The City shall negotiate and provide insurance plans, except for benefits required to be provided by law.

Section 2. The City will assess the economic feasibility of a Section 125 Premium Only FICA Tax Savings Program, at no administrative expense to the City, and make every effort to implement such a tax savings program.

Section 3. Life Insurance benefit shall be $10,000.00. Upon reaching age 65 and retirement from the City, the life insurance benefit will be reduced to $2,000.00.

Section 4. The City will attempt to provide to employees an additional $35,000 life insurance policy. The cost of such policy to be paid in total by the employee.

Section 5. Any employee, whose spouse is also employed by the City, will be allowed to carry Dependent coverage.

Section 6. An employee participating in Options 1 ~~or Option~~ 2 or 3 is eligible to participate in a group dental plan selected by the parties. The total cost of the dental plan shall be paid by the employee.

Section 7. ~~Effective April 1, 2012 through September 30, 2013, in addition to premiums paid by insured, all bargaining unit members shall be required to contribute 8.4 percent (8.4%) of their base salary, toward the cost of health insurance coverage. The 8.4 percent (8.4%) health insurance contribution shall be "pre tax." Employees who do not currently~~

~~participate in the City Health Insurance Option or the HMO, shall also be required to contribute 8.4 percent (8.4%) of their base salary towards the cost of group health insurance coverage.~~

Effective October 1, 2013 through ~~September 30, 2014~~, May 14, 2014 in addition to premiums paid by insured, all bargaining unit members shall be required to contribute seven percent (7%) of their base salary, toward the cost of health insurance coverage. The seven percent (7%) health insurance contribution shall be "pre-tax." Employees who do not currently participate in any City Health Insurance Option or the HMO, shall be required to contribute seven percent (7%) of their base salary towards the cost of group health insurance coverage.

Effective ~~October~~ May 15, 2014, all pre-tax health insurance contributions shall terminate.

Section 8.

a. All employees who retire in a vested retirement under Hialeah Code §70-239, shall be given the option to obtain or continue any group health insurance offered to City employees but only at the full cost of the premium for such group health insurance (single, double or family offered by the City).

b. All employees who retire with a total and permanent disability based on non-job related injury and circumstances shall pay the full cost of the insurance premium for group health insurance (single, double or family coverage offered by the City).

ARTICLE 43

PENSION

Section 1.

Bargaining Unit Members' Pension benefits shall not be altered other than through the collective bargaining process.

Section 2.

The Union and the City agree that the City's contributions, as provided in Section 70-137 of the Hialeah Code, to the Pension Reserve Fund shall no longer be on a fixed contributions basis, but rather shall be on an actuarial basis, as recommended from year to year by an independent Actuary appointed by the Pension Board. The goal and objective of the ~~S~~system shall continue to be funded at 100%, based upon the amortization of System Liability over a thirty (30)-year period or as provided by state law. The City agrees to provide the Union with a full and complete up-to-date Actuary Summary Study on a year to year basis.

Section 3.

The Union and the City agree that the existing benefits of the City Employees' Retirement System in effect on March 31, 2012, shall continue to apply to all bargaining unit members who are employed by the City and members of the Retirement System on that date. Bargaining unit members hired or rehired on or after April 1, 2012 shall participate in a defined contribution retirement plan, and shall not participate in the Retirement System. The City Code ~~shall be~~ has been amended to implement the provisions of this section. T~~he key provisions of the defined contribution plan are set forth in Appendix A.~~

Section 4.

The following provisions will continue to apply to bargaining unit members who are employed by the City and members of the Retirement System on March 31, 2012.

A. The base pension shall be $1,800.00 for future retirees and shall remain the same for current retirees.

B. Vested plan provides a 2% multiplier for each year of service and a base pension of $2,800.00 annually, and if applicable, a COLA as provided in the Hialeah Code.

C. Age and service to equal 70 points for the 3% multiplier to be used.

D. Normal retirement benefits under the 70 point plan provides a 3% multiplier for each year of service up to a maximum of 75% and a COLA as provided in the Hialeah Code. The base pension for the 70 point plan shall be $1,800.00 annually.

D-1. Additional Retirement benefits: For all existing members who have reached the maximum of 75% based on 25 years of service may receive an additional 1.5% for each additional year of actual service up to a maximum of three (3) years or a total of 79.5%.

E. On or about October 1st of each year the City shall continue to deduct from the interest earned by all City employees participating in the pension plan $200,000 from the employee annuity fund. Said prorated amount to be deducted from members of this unit and transferred to the pension reserve fund. However, should the annual actuarial report determine that the City contributions to the pension plan is 12% or less, there shall be no such deduction.

F. Employees shall be permitted to buy back a maximum of four (4) years service. The cost to be totally paid by the employees and calculated in the same manner that military buy back is calculated.

G. Members having reached retirement requirements will be allowed to elect joint and survivor option prior to retiring and will retain that election until actual retirement from the System. Members shall reserve the right to change election up to the last day in the employ of the City. Should the member die on or off the job, while still employed with the city, the member's spouse would then begin receiving retirement benefits as provided for under the joint and survivor benefit, based on age and years of service.

H. AFSCME shall be entitled to elect one (1) trustee to the Retirement Board.

I. Individuals under age 55 must join the retirement system; individuals 55 or older at the employee's option may join the retirement system.

J. All other Sections of Article 3, General Retirement System, Hialeah Code, shall remain in full force and effect.

Section 5.

Member or employee contribution.

Existing Employees or members hired on or before March 31, 2012:

1. Effective May 15, 2014, the member contribution to the pension system shall be five (5%) of the annual compensation which includes the same components (salary, special pay, incentive pay and longevity payments) that are used for determining the pension benefits through September 30, 2014.

2. Effective October 1, 2014, the member contribution to the pension system shall be four (4%) of the annual compensation which includes the same components (salary, special pay, incentive pay and longevity payments) that are for determining the pension benefits. If the funding for the pension system exceeds 80%, then the member contribution is reduced to 3%. If the funding for the pension system exceeds 100%, then there will be no membership contribution. At no time will the City underfund the pension system in order to avoid reducing the member contribution as stated herein.

~~The City shall repeal Hialeah, Fla., Ordinance 10-69.~~

~~Any full-time employee hired from January 1, 2011 through March 31, 2012 shall be permitted to join the Retirement System; provided that such employee pays the 7% annuity savings fund contribution from date of hire. The 5% contribution that the employee already paid shall be credited towards the employee's annuity savings fund contribution.~~

Section 6. Annuity. Employee shall have the option to contribute to an annuity account up to seven percent (7%) of the employee's base salary.

Section 7. Reemployment

Section 70.204 of the Retirement Code shall be amended to allow a person who is reemployed by the City within a period of ten years from the date of last separation of service to have his/her prior years of civil service credited towards his/her retirement; upon conditions imposed by the Retirement Board of Trustees, such as restoration of the annuity account, with interest, if the reemployed person has removed his/her annuity account funds from the Retirement System.

ARTICLE 47

NOTES TO THE PAY PLAN

Section 1.

~~There shall be no salary increases during Fiscal Year 2011/2012, Fiscal Year 2012-2013 and Fiscal Year 2013-2014. The 17% salary reduction to base pay shall cease at the conclusion of the day, March 31, 2012.~~ Bargaining unit members shall not receive an increase percentage to the base pay for Fiscal Years ~~-~~2013-2014, to wit: a 0% (zero percent). For Fiscal Year 2014-2015, there will be no increase in base pay from October 1, 2014 through March 31, 2015. On April 1, 2015, there shall be a two percent (2%) salary increase to base pay. For Fiscal Year 2015-2016, there shall be a two percent (2%) salary increase to base pay, effective October 1, 2015. Note that all employees will be paid no less than the Florida or Federal minimum wage laws, whichever is higher.

B. MERIT STEP - Salary increments recognizing acceptable service within established ranges are provided for in the pay plan. Employees shall receive a one-step increase in salary, not to exceed the maximum rate on the first day of the first full pay period following completion of probation and thereafter on the anniversary date of Certification (i.e., completion of probation) of the employees to the current classification. All merit step increases shall be subject to review for accuracy by the City. (See Section 1 C of this Article.)

Merit Step increase shall be awarded on the basis of acceptable service by the employee, as determined by management. (See Section 1 C of this Article.)

C. ~~Merit Steps and Fifteenth Anniversary Longevity Pay increases shall be postponed, and bargaining unit members will remain in the same Step and the same Fifteenth Anniversary Longevity Pay as they were on July 12, 2010.~~

~~Section 1 C of Article supersedes Sections 1B, 4 and 5 of this Article until the Merit Steps and Fifteenth Anniversary Longevity Pay increases are reinstated.~~ Effective July 1, 2014, Merit Steps and the Fifteenth Anniversary Longevity Pay shall be reinstated. When Merit Step increases and Fifteenth Anniversary Longevity Pay raises resume on July 1, 2014, such increases and raises shall be based on the starting point of the bargaining unit member's status as of July 12, 2010. Accordingly, the time period of suspension (July 13, 2010 through June 30, 2014), shall not be included in the calculation of Merit Step increases and Special Longevity Pay raises.

Section 2 - Longevity - Effective April 2, 1989

Civil Service employees shall be given Longevity Pay in accordance with the following schedule:

A. On the anniversary date of their Civil Service employment, upon completion of five (5) years continuous service, have added fifteen dollars ($15.00) biweekly to their regular pay.

B. On the earliest October 1st, following their fifth (5th) anniversary date of their Civil Service Employment, when a year or a major fraction of a year has passed (i.e., six (6) months), and on each October 1st thereafter, the employee shall be entitled to additional longevity pay on a cumulative basis through their thirtieth (30th) year of continuous employment not to exceed one hundred and fifty dollars ($150.00) biweekly, in accordance with the following schedule:

5th - 9th year of continuous service - $3.00 biweekly
10th - 14th year of continuous service - $4.00 biweekly
15th - 19th year of continuous service - $4.50 biweekly
20th - 30th year of continuous service - $5.00 biweekly

Section 3 – Longevity – Employees Hired After December 12, 2000

A. Every member hired after December 12, 2000 will be eligible for longevity as follows: Upon completion of the nine years continuous service $15.00 bi-weekly shall be added to their regular pay on the anniversary of their Civil Service employment.

B. On the earliest October 1st, following the ninth anniversary date of their Civil Service employment, when a year or a major fraction of a year has passed, and on each October 1st thereafter, the employee shall be entitled to additional longevity pay on a cumulative basis through their 30th year of continuous employment not to exceed $150.00 in accordance with the following schedule:

10th - 14th year of service	$4.00 bi-weekly
15th – 19th year of service	$4.50 bi-weekly
20th – 30th year of service	$5.00 bi-weekly.

Section 4.

Time Between Merit Steps 13 and 14 – Effective January 1, 2008, the City shall reduce the in-step waiting time between merit steps 13 and 14, from two years to one. A merit step increase

from Step 13 to Step 14 shall be awarded on the basis of acceptable service by the employee, as determined by management. (See Section 1 C of this Article.)

Section 5.

Fifteenth Anniversary Longevity Pay Increase – Effective January 1, 2008, a longevity increase equivalent to 3% of the full-time employee's base salary will be paid to all full-time bargaining unit members who have completed 15 years or more of full-time Civil Service employment with the City. (See Section 1 C of this Article.)

Section 6. – Hire Step

At the City's discretion, the initial placement of an employee may be as follows in the appropriate range: one (1) to five (5) years of experience – up to Step 5. Five (5) to ten (10) years of experience – up to Step 10. Ten (10) to fifteen (15) or more years of experience – up to Step 14.

Section 7. – Administration Pay

A. A City-wide Department/Division Head may designate an individual, who serves as the Department/Division Head's secretary, in their Department/Division to receive an increase of five percent (5%) over and above their base salary for the performance of administrative duties, subject to approval by the Mayor. Any employee receiving administrative pay will cease to receive such pay when the employee is no longer performing the administrative duties for the Department/Division Head.

B. When a classification requires additional knowledge and skills, the classification pay range may be increased one time up to two ranges, at the discretion of administration.

**** See Appendix "B" for Pay Scales ****

ARTICLE 48

PART TIME EMPLOYEES

Section 1. Definition

Part Time employees shall mean those employees working thirty (30) hours or less in positions intended to last in excess of nine months or that actually last in excess of nine (9) months. Part Time employees shall not be entitled to any of the benefits or provisions provided for in this Article until they have been continuously employed by the City for a full year, with the exception of the pay plan attached as Article 47.

Section 2

Part Time employees scheduled less than 22 ½ hours per week shall receive no benefits other than Article 14, Grievance Procedure and Article 39, Prevailing Benefits.

Section 3.

Part Time employees scheduled ~~to work 22 ½ to 30~~ who work in excess of an average of 29 hours a week shall be entitled to hospital and medical benefits under Article 38 with the exclusion of Life Insurance and the Alcohol and Drug Provision.

~~Upon retirement from the City, Part Time employees will be eligible to continue the health insurance coverage. The Part time employee will be responsible for the full cost of the coverage.~~

Any part-time employee who was hired on or after April 1, 2012, is not entitled to any insurance benefit upon separation from the City. Any part-time employee hired before April 1, 2012, who is currently eligible for retirement, may continue City health insurance benefits, upon retirement, but will be responsible for the full cost of coverage.

Section 4.

Part Time employees shall be entitled to vacation under the following schedule based upon their weekly hours:

1 - 7 years	1 week
8 - 14 years	2 weeks
15 or more years	3 weeks

(i.e., the calculation of the amount of vacation time to be paid shall be done in the following manner: Effective January 1, 1991, and annually thereafter, the amount of time that

the employee worked during the previous year will be added up and divided by 52 and rounded to the nearest 1/4 hour to determine the amount of vacation time to be paid. Any employee working more than ~~1,100 hours~~ 850 (up to a maximum of 1,950 hours) will have those hours divided by 52 and awarded that number of hours for each week of vacation time earned. For purposes of calculating the number of hours worked, vacation hours will be included in the number of hours worked.)

Section 5.

Part Time employees working 22 ½ hours to 30 hours weekly shall not receive any benefits or protections, other than those set forth in Article 14, Grievance Procedure, Article 39, Prevailing Benefits, or as specifically contained in this Article.

Section 6. Overtime

A. No overtime shall be awarded to Part Time employees except that the City is not required to interrupt a particular route, game or function and substitute a Full Time employee for Part Time employee who has commenced the route, game or function during his regular scheduled hours and is required to work over-time to complete same.

B. ~~Part Time employees scheduled to work 22 ½ to 30 hours per week shall receive overtime at time and one-half for all hours exceeding 30 hours per week. The City agrees it will not reduce regularly scheduled hours to avoid the payment of overtime.~~

~~C. The parties agree that the following special functions will not be considered as overtime unless said Part Time employees exceed 37 ½ hours in a week.~~

~~1. Special Olympics~~

~~2. July 4th~~

~~3. Snow Blast~~

~~4. Easter Egg Hunt~~

~~5. Hot Shot~~

~~6. Haunted House~~

~~7. Punt, Pass & Kick~~

~~8. Tennis Tournaments~~

~~9. Summer Program~~

~~10. Any Special Event approved by the Hialeah City Council.~~

~~The above mentioned special functions shall be offered to employees in accordance with the provisions of Article 36, Section 5. For purposes of number 9, Summer Program, the opportunity to work the 37 ½ hour week shall also be offered in accordance with provisions of Article 36, Section 5; however, such roster shall be based upon an annual rotating basis.~~

~~D.~~C. Employee will have a choice of receiving overtime or compensatory time in accordance with Article 36 upon exceeding ~~30~~ 40 hours per week.

Section 7. Part Time Sanitation Collectors

A. Will work a normal scheduled week of 30 hours.

B. Will be on the incentive plan to the same extent and under the same terms of Full Time employees, with the exception of the difference in hours between a Part Time employee (30 hours) and a Full Time employee (37 ½ hours).

C. The hourly pay of Part Time employees in Solid Waste will be recalculated based on the current 34 hours of pay, and paid over 30 hours without any loss of pay.

Section 8. Lay Offs

Part-time employees within a classification in a department shall ordinarily be laid off before full-time employees are laid off. However, to meet the needs of the City and/or a particular department, the City may override this provision and retain a part-time employee rather than a full-time employee if, in the sole opinion of the City, the part-time employee is better qualified or his/her retention is in the best interest of the City and/or department. The City will articulate its rationale to the Union before the layoff occurs.

If a grievance arises out of Section 8 of this Article, the grievant will not be entitled to back pay. For purposes of Section 8 grievance herein, the grievance shall commence at the arbitration step of the grievance procedure.

Section 9. – Pay Plan

There shall be no salary increases during Fiscal Year 2009/2010.

Merit Steps increases for part-time employees shall be reinstated effective July 1, 2014. When Merit Step increase raises resume on July 1, 2014, such increase shall be based on the starting point of the bargaining unit member's status as of July 12, 2010. Accordingly, the time period of suspension (July 13, 2010 through June 30, 2014) shall not be included in the calculation of Merit Step increases. ~~postponed, and said bargaining unit members will remain in the same Step as they were on July 12, 2010.~~

Note that all employees will be paid no less than the Florida or Federal minimum wage laws, whichever is higher.

Section 10.

Part Time employees performing work on any of the holidays set forth in Article 35, Section 1, with the exception of the employee's birthday or personal sick leave, shall be paid time and one-half of their straight hourly rate for each hour worked.