

**MEMORANDUM OF AGREEMENT BETWEEN
CITY OF PHILADELPHIA AND AFSCME DC 33
JULY 15, 2016**

TERM: July 1, 2016 – June 30, 2020

SCOPE: This Agreement applies to employees represented by District Council 33 including former Traffic Court employees and School Crossing Guards but not employees who are eligible for interest arbitration. However, the health and welfare and pension provisions of this Agreement apply to employees who are eligible for interest arbitration and any interest arbitration panel shall not have jurisdiction to address issues related to health and welfare and pension benefits.

HEALTH & WELFARE:

(a) The City will make a one-time lump sum payment to the DC 33 Health Fund (“health fund”) of \$10 million within 30 days following ratification of the Memorandum of Agreement.

(b) The City will make a one-time lump sum payment to the health fund of \$10 million on July 1, 2017.

(c) There will be a reopener for the sole purpose of determining the City's contribution to the health fund for FY19 and FY20. All other terms of the MOA will remain in full force and effect.

(d) The existing provisions governing payments on behalf of school crossing guards shall remain in effect.

WAGES:

(a) Effective July 1, 2016, there shall be an increase of 3% in each step of each pay range in the DC 33 pay plan.

(b) Effective July 1, 2017, there shall be an increase of 3% in each step of each pay range in the DC 33 pay plan.

(c) Effective July 1, 2018, there shall be an increase of 2.5% in each step of each pay range in the DC 33 pay plan.

(d) Effective July 1, 2019, there shall be an increase of 3% in each step of each pay range in the DC 33 pay plan.

(e) All employees shall be paid through direct deposit or receive a “pay card” instead of a live paper check. Once the City has the ability to provide employees with electronic access

to their payroll information (through an employee self-service module), there will no longer be paper stubs issued.

PENSION:

(a) Current Employees: Tiered employee contribution rates:

(i) The City will create a tiered contribution structure based on pay ranges. The tiered structure will be progressive so that the more an employee earns, the higher the contribution rate will be. Contribution rates will be based on annual salary (excluding overtime), and actual contributions will continue to be based on a member's total pensionable earnings (includes overtime for DC33, no change from current practice).

(ii) The first contribution tier will be the current contribution rate and not require any change. The contribution rate changes will be as follows:

Annual Salary (excluding OT)	Additional Pension Contribution
\$45,000 or less	0% - No Change
\$45,000-\$55,000	+ 0.5%
\$55,000-\$75,000	+ 1.5%
\$75,000-\$100,000	+ 2.75%
\$100,000+	+ 3%

(iii) The tiered contribution rates will go into effect on October 1, 2016.

(b) New Hires: Stacked Hybrid

(i) Employees hired after the date of the contract ratification would be required to enter a stacked hybrid plan.

(ii) The stacked hybrid would have a defined benefit portion with benefits equivalent to the existing Plan Y (Plan 87) up to a pay limit (receive defined benefits up to earnings capped at \$50,000).

(iii) Employees can also voluntarily participate in the defined contribution portion. For each plan year, the City shall make a contribution to the member's account equal to fifty percent (50%) of the member's contribution. In no event shall the City's annual contribution exceed one-and-one half percent (1.5%) of the member's annual compensation.

(iv) Plan 10 would be closed for new enrollment.

(c) DROP: Settlement of litigation

(i) Upon ratification of the contract, the City agrees to withdraw with prejudice its appeal of the PLRB decision on the applicability of the 2011 DROP ordinance to DC 33-represented employees.

(ii) Effective upon passage by City Council of the implementing ordinance, the revised interest rate in the 2011 DROP ordinance will apply to DC 33-represented employees except that the change will not apply to any employee who is enrolled in the DROP or eligible to enroll in DROP on the effective date of the implementing ordinance.

(d) Within 30 days of the effective date of the ordinance implementing the pension changes described in paragraphs (a) and (b) of this Section, bargaining unit employees who are covered by the terms of the ordinance will receive a lump sum payment of \$500 subject to the rules applied by the parties to lump sum payments in the 2014 Memorandum of Agreement. This payment will not be added to employees' base pay rates. Bonuses for part-time employees and crossing guards shall be paid in accordance with the parties' practice from 2014.

(e) DC 33-represented employees who currently participate in Plan 10 will have the option to make a one-time irrevocable election within 90 days of the effective date of the ordinance implementing paragraph (b) of this portion of the Agreement to enter the stacked hybrid plan. Employees who elect this option will be required to pay the cost of purchasing their service from their date of entry into Plan 10 up to the date they enter the stacked hybrid plan and will be subject to the terms of the stacked hybrid plan.

(f) DC-33 represented employees who have the right to go to interest arbitration will be subject to the same employee contribution rules as other DC 33-represented employees in the same plan effective upon the passage of the ordinance.

(g) The City will continue to make legally-required contributions to the pension fund.

ONEPHILLY:

Upon the implementation of the OnePhilly program the City has the right to do the following upon providing the Union with 60 days' notice and the collective bargaining agreement will be modified as necessary to carry out these changes. Problems regarding implementation will be discussed with the Union, provided, however, that no other changes will be made to the collective bargaining agreement as a result of the implementation of the OnePhilly program.

(a) **Hours of Work:**

- (i) The workday for all employees (shift and non-shift) will be 7.5 hours for pay purposes.
- (ii) Pay will be calculated based on hours worked multiplied by an hourly rate. The current value of an employee's "daily rate" is not impacted by this change. To determine the hourly rate, the daily rate will now be divided by 7.5 instead of 8. This means that hourly rates will be increased so that an employee earns the same amount in a day as was earned prior to this change.

(b) **Leave Time:**

- (i) All leave time will be earned based on a 7.5 hour day.

- (ii) All leave time, with the exception of Administrative Leave, will be tracked in 6 minute intervals. A full day of leave will be 7.5 hours.
- (iii) Current leave balances will be converted from days to hours based on a 7.5 hour workday.
- (iv) Employees working a "Pilot Work Schedule" (either 9.5 hours or 10 hours- 4 days per week) will earn leave time based on 7.5 hour alignment. Rules will be changed to reflect leave usage needed to cover a full shift.

(c) **Overtime:**

- (i) Overtime will no longer be rounded to the half-hour.
- (ii) Employees will be paid at the overtime rate for all time worked after 8 hours in 6 minute increments, in accordance with existing overtime rules. Time intervals less than 6 minutes will be rounded at the 3 minute mark.
- (iii) Employees will be paid at straight time for the time worked between 7.5-8.0 hours in a workday.
- (iv) Employees will no longer be able to choose to earn compensatory time and overtime in the same weekly period. Employees will have to elect one or the other on a weekly basis.

(d) **Time Tracking:**

- (i) All employee time will be tracked in 6 minute intervals, including for purposes of lateness. Time intervals of less than 6 minutes will be rounded at the 3 minute mark.
- (e) All pay practices that do not conform to the requirements of the civil service regulations and collective bargaining agreement will be abolished.

LEAVE:

- (a) Employees will be permitted to use up to 5 days of accumulated sick leave for the care of dependents in their household who are sick or disabled. Use of sick days shall be in accordance with the City-wide sick leave policy. Employees may be required to provide proof of the relationship of such dependent relatives in the household.
- (b) The parties will create a committee to discuss revisions to the sick leave policy.
- (c) The parties acknowledge that a representative selected by DC 33 has been appointed to the Mayor's committee which is examining improvements to the City's holiday and administrative leave benefits.

CHILD PROTECTIVE SERVICE LAW:

(a) If an employee subject to the CPSL has provided written notice of an arrest or disqualifying offense or is named as a perpetrator in an indicated report, the employee may be transferred or detailed into another position, for which he/she is qualified. An employee transferred/ detailed into a position, as a result of an investigation under the Child Protective Services Law, will be paid in accordance with the pay range for the class in which they are temporarily transferred. An employee who fails to provide such written notice shall be subject to discipline, up to and including discharge.

(b) Subject to rules established by the Civil Service Commission, in the event that an employee in a position covered by the Child Protective Service Law can no longer work in that position on a permanent basis due to a disqualifying offense, the City will attempt to place the employee in another available position for which the employee is qualified. If the employee is not placed into a vacancy for which the employee is qualified, the employee may be discharged.

(c) If an employee is placed in a new classification under Section (b) above, the employee must serve a six (6) month probationary period in the new position. If the employee does not successfully complete the probationary period in the new classification, the employee will be immediately separated from employment with the City.

TRAINING:

A joint labor-management committee shall be established to discuss training, career development and educational opportunities for bargaining unit members, and internship and apprenticeship programs. DC 33 employees will be eligible to participate in City-wide training programs.

LEAVE DONATION: The existing leave bank provisions will be replaced with the following:

(a) The City and the Union will establish a program to permit employees covered by this Agreement to donate accrued vacation leave to a leave bank. The program shall be administered by a joint labor management committee consisting of three (3) members appointed by the Union and three (3) members appointed by the City. The program shall be subject to the following rules:

(b) **GENERAL DONATION:**

(i) Each year during the period of January to March 31, employees may contribute accrued vacation leave to the leave bank.

(ii) Employees may only donate earned accrued vacation leave and must indicate such voluntary, irrevocable transfer in writing. Employees may contribute from one to five days in whole day increments only.

(iii) Eligibility for receipt of vacation leave from the bank shall be limited to full-time permanent employees who have donated a vacation day to the leave bank in the last contribution period. Only employees who can demonstrate a serious medical condition, serious injury or chronic illness which results in the employee being unable to work for a period of at

least 30 continuous calendar days and who are approaching exhaustion of all paid leave are eligible for a grant of leave time from the transfer of leave bank.

(iv) The committee shall have the sole authority to determine eligibility for a grant of leave. The committee shall review applications from employees for a grant of leave from the leave bank and determine the amount of leave to be granted. Grants of leave shall be limited to a maximum of thirty (30) leave days. Employees may apply for a maximum of two grants during the calendar year.

(v) Employees receiving such transferred leave shall only be credited in accordance with the **Civil Service Regulations** governing maximum leave accrual.

(c) **SPECIFIC DONATION:**

(i) Bargaining unit employees will be permitted to donate up to five (5) vacation days per year to another full-time permanent bargaining unit employee of an equal or lesser pay rate when the employee receiving the donation is suffering from a serious injury or illness which results in the employee being unable to work for a period of at least 30 continuous calendar days and has exhausted all of his or her paid leave benefits. The maximum number of days that an employee can donate per year is Five (5). The maximum number of days that any employee can receive from all donors is ten (10) per year.

(d) If an employee who has received transferred leave separates from the City service for any reason, there shall be no payment for unused transferred leave. Unused transferred leave shall be returned to the leave bank. No aspect of this benefit shall be subject to the grievance procedure.

(e) The committee may implement additional rules to administer or enhance this program that do not change or contradict the above rules.

ESSENTIAL EMPLOYEES:

A joint labor-management committee shall meet to discuss issues related to essential employees.

GRIEVANCE PROCEDURE:

The Step IV of the grievance procedure will be amended to replace references to the "Personnel Director" with the "Director of Labor Relations."

CAREER ADVANCEMENT:

All references in the contract to "Career Advancement" shall be changed to "In Position Promotion."

RGI:

The RGI initiative, including the provisions regarding layoffs in paragraph 6 of that section of the 1996 Memorandum of Agreement, will continue for the term of this Agreement.

SCHOOL CROSSING GUARDS:

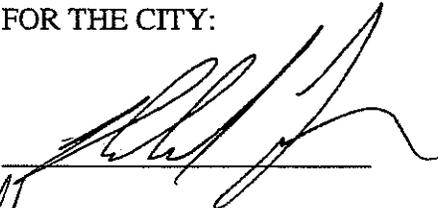
Requests for changes in leave benefits will be considered by the leave committee.

Employees will be issued a new sweater.

CONTINUITY OF BENEFITS:

Except as modified by the agreement, all terms and conditions of the collective bargaining agreement between the City and District Council 33 covering the period July 1, 2009 through June 30, 2016 which do not contain specific expiration dates shall remain in full force and effect for the term of this agreement, July 1, 2016 through June 30, 2020.

FOR THE CITY:



Monica Muckett Brock

FOR THE UNION:



Bobby C. Davis
