

APPOINTED OFFICIALS & MAYOR'S OFFICE PAY PLAN
JANUARY 1, 2018 through DECEMBER 31, 2018

1. WAGES AND SALARIES

1 a. Wages and salaries shall be as follows:

1. For the term of this contract, the Grade 1 maximum wage shall be 9% over the salary of the Deputy Police Chief. The Grade 1a maximum wage shall be 95% of the Grade 1 maximum wage. The Deputy Chief of the Fire Department shall receive the same base wage as the Deputy Chief of the Police Department (Grade 1b). The Grade 2 maximum wage shall be 90% of the Grade 1 maximum wage. The Grade 3 maximum wage shall be 90% of the Grade 2 maximum wage.
2. The Executive Secretary maximum rate shall be 55% of the Grade 1 maximum wage. The Administrative Secretary shall be 50% of the Grade 1 maximum wage.
3. Unless the City Council authorizes otherwise, the starting salary for all new employees shall be 85% of the maximum salary for their first six months. At the Mayor's discretion, the salary can be reevaluated any time after six months of employment for consideration for an increase in the employee's salary not to exceed 100% of the approved pay scale. The minimum salary shall be no less than 85% of the maximum salary that is in effect.

1. b. Wages and salaries shall be set by the Mayor with the following restrictions for employees hired on or after January 1, 2014:

1. At the Mayor's discretion, the salary can be reevaluated any time after six months of employment for consideration for an increase in the employee's salary not to exceed the maximum wage of the approved pay scale.
2. For the term of the contract, the maximum wage shall be 9% over the salary of the Deputy Police Chief.

1. c. Per Section 21 of Appointees Pay Plan, Police and Fire Chiefs are exempt from 1 a. and 1 b. Wages and Salaries.

2. SAVINGS CLAUSE

If any section of this policy should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any provision of this pay plan should be restrained by a tribunal, the remainder of this pay plan shall not be affected thereby, or if any benefit shall not be available because a provider no longer offers such benefit, then the

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Council shall enter into deliberations immediately to arrive at a satisfactory replacement for such section or provision.

3. VACATION

On the 1st day of January each year, an employee will be entitled to take vacation time for the following year according to the following schedule:

| <u>Years of Service as a City Employee</u> | <u>Amount of Vacation</u> |
|--|---------------------------|
| 0 to 4 years | 15 days |
| Over 4 years to 8 years | 20 days |
| Over 8 years to 12 years | 25 days |
| Over 12 years to 16 years | 27 days |
| Over 16 years | 30 days |

There shall be no banking of vacation time. On the 2nd pay of January each year, any employee who still has unused vacation time as of December 31 of the preceding year, shall be entitled to be paid at their current hourly rate for up to 20 days of unused vacation time. All unused vacation time in excess of 20 days as of December 31 shall be forfeited

4. FAMILY MEDICAL LEAVE ACT & SICK LEAVE

a. The City shall provide a pay continuation program for those employees who are ill or disabled and in compliance with the Family Medical Leave Act. After four weeks, the employee shall be considered on the Long-Term Disability (LTD) program, the employee shall be paid 100% of his or her base pay during the first year of disability, and 95% the second year, after which the employee shall be terminated or put on medical leave status. All fringe benefits, with the exception of earned credits for sick and vacation leave, shall continue while the person is drawing LTD. If disagreement occurs between the City's doctor and the employee's doctor as to whether an individual is unable to work, a third doctor shall be selected by the City doctor and the employee's doctor. This doctor's decision shall be binding on all parties.

b. No extension of the above time limits shall occur for new illness or complications while off on LTD or within one year of returning to work.

c. Those appointees that have accumulated sick leave while in a Bargaining Unit shall be paid off at the rate they earned on the last day they were in the Bargaining Unit. No pre-existing condition prior to employment with the City shall be eligible for benefits under these LTD provisions.

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5. PAID HOLIDAYS

Paid Holidays shall be in the same amount as the employees they supervise.

6. PERSONAL BUSINESS TIME

Up to four (4) non-accrued business days per year shall be credited on January 1 for Appointees to conduct personal business.

7. OVERTIME/COMPENSATORY TIME

Under no circumstances shall a Director, Division Head or Mayor's Office staff member be paid compensatory time or overtime. This prohibition against compensatory time and overtime shall not apply to the Deputy Fire Chief.

8. JURY DUTY

There will be no loss of pay for jury duty. Stipends for jury duty may be kept by the employee.

9. FUNERAL LEAVE

Paid funeral leave may be granted for up to five working days for the death of immediate family members defined as: spouse, parents, grandparents, children, grandchildren, brother-in-law, sister-in-law, brothers, sisters, father-in-law, mother-in-law of the employee or a member of the employee's household.

10. LEAVES OF ABSENCE

An employee may be granted a leave of absence for up to a period of 60 days at the discretion of the Mayor. No leave shall be granted for a period past the end of the current Mayor's term of office. If an employee wishes to continue his or her hospitalization insurance, the employee must pay the premium for his or her hospitalization insurance for this period according to the terms of the City's hospitalization insurance plan. All wages and fringe benefits shall cease during an employee's leave, except for any period of medical disability.

To be eligible for this benefit, the employee must have one year of continuous service as an appointed official.

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11. HOSPITALIZATION - MEDICAL INSURANCE

- a. The City shall comply with P.A. 152 as set forth by City Council resolution and the City Health Care Policy on file in the Personnel Department. Employees shall pay anything above the annual maximum amounts contributed by the employer that are established annually by the Act (2018 employer contributions - \$6,561 for single coverage, \$13,720 for two-person coverage and \$17,892 for family (3 or more) coverage). In the event P.A. 152 is repealed, the cost sharing in place at the time the Act is repealed shall remain in effect.
- b. Employees shall have the option to participate in various healthcare plans to provide coverage for the employee, spouse and eligible dependents of the employee as provided by the City.
- c. 2013 Mutual Gains Program as it may be amended is recognized.
- d. If the employee dies, the employee's eligible dependents as defined by the I.R.S. criteria receive continued hospitalization coverage for one year, to be paid by the City.
- e. The City shall provide Pre-Medicare Retirees hired before January 1, 2014, their eligible spouses and dependents one of the medical plans offered to active employees. The cost sharing in effect for active employees shall be the cost sharing for healthcare in retirement for the pre-Medicare retiree and his/her dependents. Healthcare premiums for retiree health plans are higher than those of active employees for the same health plans. For example, the PPO-1 plan and PPO-2 plan, are more costly for a retiree than an active employee. At the time an active employee retires, the pre-Medicare retiree shall be subject to cost sharing based upon the percentage of the total retiree premium compared to the total active employee premium for the same health plan. This percentage shall be calculated using the Single Person coverage premium for active employees and pre-Medicare retirees of each of the plans offered. This percentage shall be multiplied by the active employee contributions for the same plan. The ability to receive healthcare in retirement is contingent upon the retired employee or spouse drawing benefits or a pension as provided for by MERS or Act 345. A retiree may select one of the choices annually at the designated open enrollment period.
- f. For retirees who were hired before January 1, 2014 and who become eligible for Medicare, the City will provide a Health Reimbursement Account (HRA) in lieu of a City provided supplemental Medicare policy. The provisions of the agreement are as follows:
 1. Effective January 1, 2018, the City shall fund an HRA for the retiree and/or

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spouse at \$2,189.65 for single coverage and \$4,379.30 for a couple. This funding shall continue annually and in future years, the single and couple funding levels will be adjusted no more than once annually and in accordance with the Medical Consumer Price Index (CPI).

2. The City shall contribute a prorated amount into the retiree's HRA ninety (90) days before said retiree or spouse qualifies for Medicare. The first of the year after the retiree or spouse qualifies for Medicare, the City shall make the HRA contribution on the first of every year.

- g. Appointees of the Mayor hired on or after January 1, 2014 shall be enrolled in the MERS Health Care Savings Program (HCSP) for their retirement health care. For 2018, the City shall contribute \$2,119 per year into the employee's HCSP. This amount will be prorated monthly for each month of service by the employee. An employee must work fifteen (15) days of the month to earn credit for that month. The employee shall be eligible for the City's contributions to the HCSP upon ten (10) years of uninterrupted service with the City. The employee may make contributions to his/her HCSP on a post-tax basis, through payroll deduction, with the employee's contributions immediately vested and available to the employee upon separation of employment. In accordance with I.R.S. regulations, HCSP funds may be used for healthcare premiums expenses, co-pays and deductibles and other out of pocket expenses as governed by applicable statute. This funding shall continue annually and in future years, the single and couple funding levels will be adjusted no more than once annually and in accordance with the Medical Consumer Price Index (CPI).

12. DENTAL INSURANCE

The City shall provide dental insurance for 100% of treatment costs for preventive, diagnostic (except radiographs) and emergency palliative (Class I) services and 90% of the balance of Class I benefits as paid by Delta Dental or equivalent insurance plan on Class II benefits, with \$1,500 maximum per person per contract year on Class I and II benefits. 80% of treatment costs paid by Delta Dental or equivalent insurance plan on Class III (orthodontic) benefits with \$2,500 lifetime maximum. This benefit is 100% paid for by the City and is available to retirees (and dependents) receiving a MERS or Act 345 retirement from the City.

13. LIFE INSURANCE

The City shall provide employees \$120,000 convertible term life insurance. The insurance shall be double indemnity for accidental death or dismemberment. The City shall provide \$30,000 term life insurance for retirees drawing a MERS or Act 345 retirement from the City.

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14. OPTICAL BENEFITS

The City agrees to reimburse the employee, spouse, or eligible dependent family member up to a maximum of \$350 per person per year for the purchase of corrective eye glasses or contact lenses. A paid eye examination may also be reimbursed for such individuals once per year. For retirees drawing a MERS or Act 345 retirement and their qualified dependents, the City will reimburse up to a maximum of \$250 per person per year for the purchase of corrective eye glasses or contact lenses, and will pay for an eye examination for such individuals once per year. Paid receipts must be submitted to the City's Personnel Department for reimbursement within ninety (90) days of the date the expense was incurred.

15. WORKER'S COMPENSATION

The City will supplement the income of an employee proven to be injured on the job by paying the difference between the Worker's Compensation pay and his or her regular net bi-weekly income during the time he or she is eligible for Worker's Compensation up to a period of one year. The following fringe benefits shall remain in force for a period of up to two years: Hospitalization, Dental, Optical, Life Insurance, Pension and Severance Pay.

16. PENSION

a. For employees hired prior to January 1, 2014, the City shall provide a pension under the MERS pension program, with benefit riders V-6, FAC-3, RS-50, E, E-1, E-2, F-55/15, F-60/6, and retirement after 25 years regardless of age. An FAC factor (multiplier) of 2.8% shall be applied for their first 30 years of service, and an FAC factor of 1% shall be applied thereafter, in accordance with Westland City Council Resolution No. 99-2-22. Employees shall pay on a pre-tax basis five percent (5%) of their pensionable earnings as their contribution toward their pension.

b. The City shall pay for the cost of the Act 345 pensions for the Police Chief, the Fire Chief, and the Deputy Fire Chief. Employees shall pay on a pre-tax basis five percent (5%) of their pensionable earnings as their contribution toward their pension.

c. For any Mayor elected on or after January 1, 2014 or for any appointees of the Mayor hired on or after January 1, 2014, the City of Westland shall offer the employee a Defined Contribution Plan (401A) through MERS. Funds deposited into this plan shall be for the employee's retirement. The City of Westland will contribute fifteen (15%) of the employee's qualifying earnings with the employee required to contribute a minimum of five percent (5%) of his/her qualifying earnings provided the employee and employer aggregate contributions do not exceed the I.R.S. plan contribution limits. The employee shall have the option to contribute on a post-tax basis additional amounts toward his/her retirement through payroll deduction provided the employer and employee aggregate contributions do not exceed I.R.S. plan contribution limits.

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17. CAR ALLOWANCE

The City shall provide, subject to I.R.S. regulations, the following City executives with a City-owned vehicle for work-related travel: Mayor, Fire Chief, Police Chief, Deputy Fire Chief, DPS Director and DPS Superintendents. A mileage log shall be kept for personal mileage.

The City may from time to time permit employees covered under the Pay Plan the use of City-owned vehicles for work-related purposes or shall reimburse these employees for the payment of any mileage for work-related travel while using their personal vehicles including travel throughout the City and other regional work-related travel and while at seminars or conferences. The mileage rate shall be as established periodically by the I.R.S.

18. TUITION REFUND

- A. After advance notification to the Personnel Department and approval by the Mayor or Personnel Director and dependent upon funds being available, course reimbursement for tuition, registration fees and related texts will be made upon successful completion (grade of "C" or higher) of any course taken in a field directly performed on behalf of the City. Registration and lodging for seminars may also be charged to this benefit. Reimbursement from an accredited institution shall be paid at the rate of 90% of books, tuition, and fees expenses. Should an employee resign or be discharged within five (5) years of receipt of a particular tuition reimbursement, employee shall repay to the City the reimbursement(s) received as follows: termination date within: twelve (12) months of receipt of reimbursement – 100%; within 1-2 years – 80%; within 2-3 years – 60%; within 3-4 years – 40%; and within 4-5 years – 20%. Employee has no obligation to reimburse after serving five or more years with the City.

19. SEVERANCE PAY

All appointees serve at the pleasure of the appointing authority subject to any confirmation rights of the City Council. Severance pay is paid to any employee whose employment with the City is terminated except for the following reasons:

- Resignation
- Termination due to LTD Plan (after 2 years)
- Leaves of Absence
- Retirement
- Employment with the City is not terminated
- Death
- Conviction of a felony

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If termination is for any other reason, payment for severance shall be made upon termination according to the following schedule:

| <u>LENGTH OF SERVICE AS APPOINTEE</u> | <u>SEVERANCE PAY</u> |
|---------------------------------------|----------------------|
| 0 TO 6 months | no payment |
| Over 6 months up to 3 years | 1 month pay* |
| Over 3 years up to 4 years | 2 months pay* |
| Over 4 years up to 5 years | 3 months pay* |
| Over 5 years | 4 months pay* |

* At the employee's pay rate at termination.

If an employee has previously received full severance pay from the City, that employee shall be eligible for only one half (1/2) of the rate that the employee would otherwise be entitled under this plan.

21. SPECIAL TO POLICE AND FIRE CHIEFS

The Police Chief, the Fire Chief, and the Deputy Fire Chief shall receive the same benefits of the Lieutenants' and Sergeants' Association and the Firefighters' Association respectively, rather than the above listed benefits in regard to pension, medical/insurance coverage options (provided they are equal to or better than those outlined herein), clothing allowance, sick, personal and vacation leave, holiday pay, EMS bonus, on-call pay, gun allowance, technological-education bonus (upon compliance with contract requirements), base pay and severance pay. (In regard to pension: (1) the Fire Chief shall be allowed to accrue a vacation time bank equal to the Police Chief; and (2) there shall be parity and equality between the Fire Chief and the Police Chief concerning the pension benefits for which they are eligible).

22. SPECIAL TO ANY UPGRADED SUPERVISORY Local 174 or AFSCME Local 1602 EMPLOYEE

Any City employee promoted to an appointed position will not lose any accrued benefits as they relate to years of service with the City of Westland.

23. MAYOR

The elected Mayor shall be entitled to receive the same insurances, allowances and post-retirement benefits as are received by the Appointed Officials.

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Appointed Officials & Mayor's Office Salaries

| | Minimum July 1, 2017 | Maximum July 1, 2017 |
|-------------------------------|-------------------------|-------------------------|
| <u>Pay Grade 1</u> | | |
| Assessor | \$77,355 | \$108,339 |
| DPS Director | 77,355 | 108,339 |
| Finance Director | 77,355 | 108,339 |
| Fire Chief | 85,950 | 108,339 |
| Police Chief | 85,950 | 108,339 |
| <u>Pay Grade 1A</u> | | |
| Exec Asst. to Mayor | 77,355 | 102,922 |
| Comm. Development Director | 73,487 | 102,922 |
| <u>Pay Grade 1B</u> | | |
| Deputy Fire Chief | 78,854 | 99,394 |
| Building/Planning Director | 69,620 | 102,376 |
| <u>Pay Grade 2</u> | | |
| Budget Director | 69,620 | 97,505 |
| Deputy Clerk | 69,620 | 97,505 |
| C&M Superintendent | 69,620 | 97,505 |
| Economic Development Director | 69,620 | 97,505 |
| MIS Director | 73,487 | 97,505 |
| Personnel Director | 73,487 | 97,505 |
| Senior Resources Director | 62,658 | 97,505 |
| W&S Superintendent | 69,620 | 97,505 |
| <u>Pay Grade 3</u> | | |
| Controller | 62,658 | 87,755 |
| Parks & Recreation Director | 69,620 | 87,755 |
| <u>Pay Grade 4</u> | | |
| Executive Secretary | 42,680 | 59,586 |
| <u>Pay Grade 5</u> | | |
| Mayor's Admin Secretary | 38,678 | 54,170 |