

# **AGREEMENT**

between

CITY COUNCIL, CITY OF CHISHOLM

and

THE AMERICAN FEDERATION OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES, AFL-CIO

LOCAL UNION NO. 536

JANUARY 1, 2020-DECEMBER 31, 2022

TABLE OF CONTENTS

	AGREEMENT	3
ARTICLE 1	PURPOSE	3
ARTICLE 2	BARGAINING UNIT	3
ARTICLE 3	RECOGNITION OF EXCLUSIVE REPRESENTATIVE	3
ARTICLE 4	MANAGEMENT	3
ARTICLE 5	EMERGENCY RESPONSE	4
ARTICLE 6	UNION DUES CHECKOFF	4
ARTICLE 7	SALARY SCHEDULE	4
ARTICLE 8	HOURS OF WORK	5
ARTICLE 9	OVERTIME HOURS	7
ARTICLE 10	SICK LEAVE	8
ARTICLE 11	HOLIDAYS	10
ARTICLE 12	VACATIONS	11
ARTICLE 13	EMERGENCY LEAVE	12
ARTICLE 14	INSURANCE PROGRAM	13
ARTICLE 15	SENIORITY	16
ARTICLE 16	GENERAL PROVISIONS	18
ARTICLE 17	GRIEVANCE PROCEDURE	19
ARTICLE 18	DEMOTIONS AND TRANSFERS	20
ARTICLE 19	DISCIPLINE	21
ARTICLE 20	WAGE ADMINISTRATION	21
ARTICLE 21	JURY DUTY	21
ARTICLE 22	DURATION	22
ARTICLE 23	SEVERABILITY	22
APPENDIX A	WAGE SCALES	23
APPENDIX B	CLASSIFICATIONS	24
APPENDIX C	SENIORITY LIST	25

## AGREEMENT

THIS AGREEMENT, by and between the City Council of the City of Chisholm, hereinafter referred to as the "EMPLOYER" and the American Federation of State, County and Municipal Employees, AFL-CIO, Local Union No. 536, hereinafter referred to as the "UNION".

### ARTICLE 1 PURPOSE

The parties hereto, having come to agreement as to the terms and conditions of employment for the members of the bargaining unit hereinafter described, do hereby enter into this Agreement in accordance with the terms and conditions of the Public Employment Labor Relations Act of 1971, as amended.

### ARTICLE 2 BARGAINING UNIT

The parties hereto agree that the appropriate bargaining unit for purposes of this Agreement shall include all regular full and part-time employees of the Employer, as per certification of the Bureau of Mediation Services, State of Minnesota, as filed therewith, excluding however the elected officials and appointed officials serving on Commissions or Boards, City Clerk-Treasurer/Administrator, Deputy Clerk, City Attorney, City Engineer, Public Works Director, supervisory employees, bargaining unit employees of the Police and Fire Departments, Police Administrative Assistant, Confidential Administrative Assistant, and part-time employees whose service does not exceed fourteen (14) hours per week or sixty-seven (67) days per year.

### ARTICLE 3 RECOGNITION OF EXCLUSIVE REPRESENTATIVE

#### Section A.

The Employer, does hereby recognize Local No. 536, American Federation of State, County and Municipal Employees, AFL-CIO, as the exclusive representative for collective bargaining purposes of the employees contained within the bargaining unit as defined above.

#### Section B.

The Employer shall not enter into any agreement with the employees within the bargaining unit, either individually or collectively, which in any way conflicts with the terms and conditions of this Agreement. No discrimination shall be exercised against any employee because of race, creed, sex, color, or political belief.

### ARTICLE 4 MANAGEMENT

The Union recognizes the right and obligation of the Employer to efficiently manage and conduct the operation of the City within its legal limitations and with its primary obligation to provide adequate and proper municipal service for the citizens of the City. The Union recognizes that the Employer has certain inherent managerial rights which are not subject to negotiations including, but not limited to, the selection, direction and number of personnel, the

overall budget, the management of the property and equipment of the City, the right to hire, promote, suspend, discharge or otherwise discipline employees, the laying off and calling to work of employees in connection with reduction of or increase in the working force, the scheduling of work and the control and regulation of the use of all equipment and other property of the City, provided, however, that in the exercise of such functions, the Employer shall not alter any of the provisions of this Agreement.

ARTICLE 5  
EMERGENCY RESPONSE

The City reserves the right to take whatever action is necessary to carry out the functions of the City in situations of emergency as defined in Minnesota Statute 12.29 as amended. Employee designated as the Emergency Manager shall receive a stipend of \$100.00 per month. Employee designated as the Assistant Emergency Manager shall receive a stipend of \$50.00 per month.

ARTICLE 6  
UNION DUES CHECKOFF

Section A.

The Employer agrees to deduct from the salary of each employee who has signed an authorized payroll deduction card a sum certified by the Secretary of Local 536 as Union dues or any other Union approved deduction established by the Union and authorized by the employee, and to transmit such sums to Council 65, together with a list of the employees from whom such pay deductions were made. Deductions may be terminated by the employee giving thirty (30) days written notice to the Secretary of the Local, after which the Secretary shall notify the Clerk's office to stop deductions.

Section B.            Non-Union Employees.

Employees who are not members of the Union may be required by the Union to contribute a fair share fee for services rendered by the Union, and the Employer, upon notification by the Union of such employees, shall be obligated to check off said fee from the earnings of the employees and transmit the same to the Union. In no instance shall the required contribution exceed a pro rata of the specific expenses incurred for services rendered by the Union in relationship to negotiations and administration of grievance procedure.

ARTICLE 7  
SALARY SCHEDULE

Section A.            Salary Schedule – January 1, 2020 -December 31, 2022

The wages and salaries reflected in Schedule "A", attached hereto, shall constitute the salary schedule for the employees in the bargaining unit for the period January 1, 2020 through December 31, 2022. Any retroactive pay due and payable to each employee shall be paid within thirty (30) days following execution of this Agreement.

Section B.

All employees shall be paid bi-weekly, with pay days to be every second Friday.

Section C.

The salaries listed in Salary Schedule Appendix "A", referred to above, shall be termed base pay for employees in the bargaining units. In addition to such base pay, employees shall be entitled to shift differential pay in the amount of thirty cents (\$.30) per hour for the 3:00 p.m. to 11:00 p.m. shift, and forty cents (\$.40) per hour for the 11:00 p.m. to 7:00 a.m. shift. Differential pay shall be paid in conjunction with and at the same time as pay for the shift during which the differential was earned.<sup>1</sup>

Section D.

- (1) Water Plant Operators shall be upgraded to Class II upon receiving Class C license. Further, employees of both departments shall be remunerated \$5.00 per month for each such license grade. Upon receipt of a written request, with verification of renewal, the City shall pay for the renewal of licenses for those employees who are required to hold a license, excluding CDL driver's license.
- (2) Lead employees in the following departments are to receive Class I rates: Library, Cemetery, Water Department (Inside and Outside employees), and Sewer Department.

Section E.

Positions in the bargaining unit as of the effective date of the Agreement are shown in Appendix "B".

ARTICLE 8  
HOURS OF WORK

Section A.

The normal work week for Public Works shall be Monday through Friday between 7:00am and 3:30 pm except, the refuse collection position shall be Monday through Friday between 4:00 am and 12:00 pm.

The normal work week for the Office Staff shall consist of eight and one-half (8 ½) hours Monday through Friday between 7:00am and 4:00 pm, provided Management reserves the right to adjust those hours to best serve the needs of the City upon 5 days' notice to the affected employees. The normal work week and work day for Library Aides shall be established by the Library Supervisor and shall cover the hours of operation which are Monday through Friday between 9:00 am and 6:00 pm.

By mutual agreement with management the office staff may flex their daily hours to provide for the needs of the City and/or employee. In the event that hours are flexed, the provisions for overtime after eight hours (Article 8, Section A) shall not apply.

In the event scheduled hours of work are changed, the employee will be given as much advance notice as possible.

---

<sup>1</sup> Employees hired prior to January 1, 2003 shall receive an additional \$65 longevity pay for reaching 16 years of service plus an additional \$1.00 per month for each year of service after 16 years.

#### Section B

The Employer shall not change the work schedule of any employee during the 72 hours immediately preceding a holiday or said employee's vacation if the employee has scheduled their vacation at least one month in advance of the date of commencement of that vacation. In the event of emergency, the above provisions are waived, and the City may change the employee's schedule of work during the week preceding the start of said employee's vacation. In the event of a disagreement regarding the emergency, an employee may grieve as provided for in Article 17 of the Agreement.

#### Section C.

The Employer agrees that split shift work will not be scheduled for employees of any department, excluding custodians and janitors.

#### Section D.

Work performed in any combination of positions or classifications during an eight-hour day shall be compensated for at the highest position or classification rate for the full eight-hour day, providing the employee begins work in the highest classification. An employee beginning work in a lower classification will not receive a higher rate until transferred to a higher class. For safety purposes a qualified employee who performs incidental work, such as moving a piece of equipment out of the way, shall not constitute working in a different classification. Employees assigned to train in a higher pay classification shall receive that rate of pay during the hours spent training.

Library Aides shall only be entitled to receive stepped-up pay when performing tasks reserved specifically to the Library Supervisor as enumerated in a separate written list to be stored at City Hall. All parties to this contract should use best effort to make arrangements for such work to be performed during certain specified time periods during each shift as required. Increased pay shall be limited to those scheduled time periods or for such time as the designated duties are actually being performed. When a Library Aide is acting as lead in the absence of the Library Supervisor, that employee shall be entitled to step-up pay that is equal to the employee's regular rate plus ten percent (10%) of the Library Supervisor's rate of pay. This step up pay shall only be applied when the regular employee is out on vacation or sick leave. Step up pay shall not be awarded if the regular employee is attending meetings or doing offsite work for the employer.

#### Section E.

Employees working inside shall have rest breaks on the premises. Employees working in groups outside shall go to the City Garage or coffee shop. Employees shall not be driven or drive home for such a rest break. The Supervisors shall arrange a schedule for rest breaks which shall apply for employees working under their individual authority. The lunch break for employees shall be thirty (30) minute unpaid break in conjunction with a fifteen (15) minute paid break for a total of forty-five (45) minutes. Employees shall be allowed an additional fifteen (15) minute paid break during the workday.

#### Section F.

Employees at the Library shall be allowed to work forty-eight (48) hours in a two (2) week period. Hours worked over forty eight (48) shall be accumulated as compensatory time or be paid at the appropriate rate. Compensatory time use and payout so accumulated may be utilized upon request and approval of the supervisor. Compensatory time shall not count as hours worked for the purposes of calculating overtime. Nothing herein shall constitute a guarantee of any number of hours per week.

Part-time Library employees may accumulate compensatory time up to a rolling maximum of sixty (60) hours. At year end, employees shall have the option to cash-out hours in their bank up to and including a total of sixty (60) hours or to roll those hours over into a new year. In the event of cash-out, such a cash out shall be paid by separate check in the first pay period of December of the year of the cash-out.

Library Tech I – Job Class IV (more than 19 hours but less than 39 hours per week. All benefits pro-rated, health insurance excluded)

Library Tech II – Job Class V (19 hours per week as described above)

Library Aide - Job Class VI ( benefits at fifty percent (50%) except that they are not eligible for health, life and dental insurance) The wage progression for new employees on Appendix 'A' shall not apply to Library Aide employees nor shall the provision in Article 16 Section D relative to insurance benefits

This agreement for compensatory time utilization by Library employees shall continue for as long as it remains mutually agreeable between the City and the Union. In the event an employee terminates employment at the City of Chisholm and has accumulated compensatory time as described above, they shall be paid such compensatory time as pay.

#### Section G.

Part-time employees will be offered hours at City Hall when available, provided they have the necessary qualifications or have had the proper training. The additional hours shall not count as hours worked for the purpose of calculating benefits.

### ARTICLE 9 OVERTIME HOURS

#### Section A

All overtime will be equalized within position classification as closely as possible for all employees under the jurisdiction of the Employer. Whenever overtime is refused for any reason whatsoever, that amount of overtime so refused will be counted as hours worked for the purpose of equalization of overtime. In addition, the supervisor shall keep track of paid time, refusals and compensatory time for each employee, and shall post same at the end of each thirty (30) day period.

The normal hours of work shall be eight (8) hours per day and forty (40) hours per week. All hours worked in excess of eight (8) hours per day or forty (40) hours per week shall be compensated for at one and one-half (1-1/2) times the regular rate of pay. An employee may choose to take compensatory time off at the rate of one and one-half (1-1/2) hours off for each hour of overtime worked. The maximum accumulation of compensatory time off shall be seventy-two (72) hours at the end of each pay period. Scheduling of compensatory time off shall be by mutual agreement between the employee and the Employer.

Compensatory time may be accumulated to a rolling maximum of forty-eight (48) hours with a cash-out or payout into their HCSP, of up to a maximum or carry over option at year end. In the event of a cash-out, such cash out shall be paid by separate check in the first pay period of December of the year of the cash-out.

Section B.

When an employee is not on a scheduled work week including Sunday as a work day and is subject to being called out on Sunday, they shall receive two (2) times their regular rate of pay for all hours worked on Sunday. Further, employees who are regularly scheduled for Sunday work shall receive time and one-quarter (1-1/4) for hours worked.

Section C. After Hours Calls

An employee who is called after hours shall be entitled to thirty minutes (30) of pay for each work related, non-scheduling after hours phone call received or if a supervisor is unavailable any phone call made on that supervisor's behalf from the employee's residence and/or on their cell phone. The pay shall be at one and one half (1 ½) the employee's normal rate of pay and may be taken as pay or as compensatory time at the employee's option.

The employee shall document each call and submit documentation to their supervisor each pay period. Calls made or received prior to/or after the hours of 7:00 am- 3:30 pm shall be compensated as described above unless the call is received during the normal work hours of an employee working a schedule consisting of four (4) shifts of ten (10) hours each. Phone calls, after hours for reason of callouts are not paid, but phone calls which lead to an actual call out, will receive two (2) hours overtime minimum, but in no instance will the employee receive both guaranteed minimum time for a phone call and call out.

Section D. Call Out

Call outs shall only be made when the on-duty staff is not qualified or sufficient to cover the immediate need forming the basis of the call out. Any call out not originating with a member of management shall be reviewed and approved by management before they shall be paid. Circumstances that are routine or known which can be addressed through scheduling shall not qualify for additional pay pursuant this provision.

Employees required to work on a Saturday or Sunday for the purposes of burials shall receive a minimum callout of three (3) hours for a cremation or four (4) hours for a burial. Any hours worked in excess of the above defined callout shall be compensated as actual hours worked. A second or subsequent callout on the same day shall not constitute a defined callout for the purposes of burials and/or cremations.

ARTICLE 10  
SICK LEAVE

Section A.

All regular employees shall earn sick leave at the rate of twelve (12) hours for each month of service, accumulative to seven hundred fifty (750) hours.<sup>2</sup> Except, if an employee is off forty (40) or more hours on sick leave in a month, the employee shall receive a pro-rata credit for sick leave for that month. Less than 40 hours sick leave use per month will result in no proration.

Section B.

The Employer may require an employee to present satisfactory evidence of his inability to work due to illness or accident. Should the Employer determine that the employee's evidence when requested is not satisfactory, the Employer may withhold payment of sick leave until the employee can provide satisfactory evidence to the Employer.

Section C.

If an employee sustains a work related injury for which the employee is entitled to and receives Worker's Compensation, the city agrees that for a period not to exceed one (1) year from and after such injury, it will pay to the

---

<sup>2</sup> All employees hired prior to January 1, 1994 shall earn sick leave at a rate of 20 hours for each month of service to accumulative to twelve hundred (1200) hours.



employee the difference between the employee's Worker's Compensation payments and the employee's base wage, together with longevity pay. After one (1) year, the City shall continue to pay such difference, but such payments shall be charged against sick leave for such employee and shall last only as long as said accumulated sick leave shall last.

Section D.

After an employee has used all of their accumulated sick leave, upon written request by the employee, they shall be granted a leave of absence without having their name removed from the employment register. After each six (6) month interval, the Employer and the Union shall review the case as to whether any further leave shall be granted, not to exceed three (3) years, and subject to the furnishing by the employee of a doctor's report for each six-month period. The Employer agrees to pay the employee's insurance program during the first six (6) months of such leave of absence. Leave of absence requested shall be completed before employee returns to work or requests extension of current leave of absence.

Section E.

An employee hired after January 1, 1994, at the time of honorable separation for the services of the City, such an employee, with ten (10) or more years of service, shall be entitled to severance pay equivalent to 30% of the unused sick leave balance for such employee at the time of such separation, paid into the employee's HCSP Account.

Section F.

If, in the opinion of the Employer, an employee is abusing sick leave privileges, the Employer shall implement the provisions of Article 10, Section B, of this Agreement.

Employees shall be allowed to use up to one-hundred sixty (160) hours of sick leave in any rolling twelve (12) month period for illness or injury which requires the employee's attendance, for reasonable periods of time, to the employee's child, stepchild, adult child, adult stepchild, spouse, sibling, parent, stepparent, mother-in-law, father-in-law, grandparent, or step grandparent .

Section G.

Employees injured off the job and receiving sick leave payments from the City and then subsequently reimbursed for missed hours of work by an insurance company or lawsuit because of such injury shall reimburse the City for any sick leave paid during the period of reimbursement up to the amount reimbursed for such time off from work. Such sick leave repaid to the City shall be reinstated to the employee's sick leave records.

Section H.

An employee may use sick leave for absences required by attendance to the employee's child/stepchild when such child/stepchild is ill and the employee's attendance with the child/stepchild is necessary.

Section I.

Employees will be eligible for a sick leave bonus based on the following terms:

Hours Per Year of Used Sick Leave	Days of Pay
0 hours- 8.0 hours	5
8.1 hours-16 hours	4
16.1 hours- 24 hours	3
24.1 hours- 32 hours	2
32.1 hours- 40 hours	1
40.1 hours or more	0

Employees who suffer a worker's compensation related injury while employed by the Employer shall have the option of utilizing one third (1/3) day of sick leave, or no sick leave to remain qualified for the sick leave bonus. It would exclude employees who request and are granted a leave of absence exceeding five (5) days. The sick leave bonuses will coincide with the calendar year. The sick leave bonus check will then be issued the first pay period of January on a separate check. At the employee's request, the City will payout the bonus into the employee's HCSP fund during the same time. Employees not working a full year of employment shall receive their sick leave bonus on a pro-rata basis.

ARTICLE 11  
HOLIDAYS

Section A.

All regular employees shall be paid eight (8) hours pay at straight time hourly rates for the following holidays:

New Year's Day	Fourth of July	Veterans Day
Martin Luther King Day	Labor Day	Thanksgiving Day
Presidents Day	Personal Day	Friday after Thanksgiving
Good Friday	Floating Holiday	Christmas Day
Memorial Day		

The floating holiday shall be scheduled by mutual agreement between the employee and the Employer.

To take a one (1) day personal leave as per the above, the employee must notify their department head five (5) days prior to the taking of the leave, with the exception of a possible elimination of the five days by virtue of an emergency.

Section B.

All regular employees who are required to work on any of the above mentioned paid holidays shall be compensated at two and one-half (2-1/2) times their regular rate of pay for all hours worked. All holidays shall be considered as days worked in the computation of overtime.

Section C.

When a paid holiday falls on the employee's scheduled day off, they shall receive an additional day's pay, consisting of eight (8) hours of pay. When a holiday falls during an employee's vacation period, they shall receive an additional day of vacation.

Section D.

In order to qualify for holiday pay for a holiday not worked, it is required that the employee shall have worked their last scheduled work day or shift prior to and the first scheduled work day following the holiday, unless the employee is absent before or after the holiday for such reasons as scheduled vacation, sick leave, jury duty, or death in their immediate family.

Section E.

Subject to the provisions of Section D above, permanent part-time library aides shall be paid 4 hours for each holiday as listed in Section A above. (Paid holiday time shall not count towards the average number of hours worked per week by permanent part-time library aides.)

ARTICLE 12  
VACATIONS

Section A.

Subd. 1. Vacation schedule<sup>3</sup>. Employees shall earn paid vacation per each month of service as is indicated in the table below. Transition between steps shall correspond with each employee's seniority date.

YEARS OF SERVICE	NUMBER OF DAYS ACCRUED	ACCRUAL RATE
LESS THAN 2 YEARS	10 DAYS/ 80 HOURS	3.08 HRS/PAY PERIOD
AFTER 2 YEARS	12 DAYS/ 96 HOURS	3.70 HRS/PAY PERIOD
AFTER 5 YEARS	15 DAYS/ 120 HOURS	4.64 HRS/PAY PERIOD
AFTER 10 YEARS	20 DAYS/ 160 HOURS	6.16 HRS/PAY PERIOD
AFTER 15 YEARS	25 DAYS/ 200 HOURS	7.70 HRS/PAY PERIOD

Subd.2. Employees shall be allowed to accumulate up to eighteen (18) months at their established accumulation rate as per years of service, however as severance pay may only utilize up to sixteen (16) months at their established accumulation rate as per years of service.

Section B.

In determining vacation periods, the wishes of the employee will be respected as to the time of taking vacation, insofar as the needs of service will permit. It is understood that the rights of the senior employee will prevail in the selection of vacation time when an agreement cannot be reached among the employees. Arrangement for the dates and times for vacation shall be made between the employee and the Employer.

Section C.

All vacations earned must be taken by employees, and no employee shall be entitled to vacation pay in lieu of vacation.

<sup>3</sup> Employees hired before January 1, 1994 shall earn vacation at a rate of two and one-half (2 ½ ) days of paid vacation for each month of service.

Section D.

The vacation period of an employee shall not be split, except by mutual agreement of the Employer and the employee. A senior employee may choose to take one period of their vacation. An employee choosing to split his vacation as indicated must then wait until all other employees have made their choice of vacation preference known relative to their seniority before said employee may choose additional time periods for their remaining vacation.

Section E.

Upon termination of employment for any cause, employees shall be paid any accumulated vacation credit, including pro rata payments for periods of less than one year; provided however, that they have been employed for at least one full year and provided, further, that they have given proper notice of their termination of employment, if applicable.

Section F.

Vacation shall be paid at the rate employee received in the last two weeks prior to taking vacation, but shall not be paid for a period of less than two (2) weeks.

ARTICLE 13  
EMERGENCY LEAVE

Section A.

Three work days absence shall be allowed an employee in the event of the death of a member of the immediate family of an employee. For the purposes of this section "immediate family" shall include wife, husband, significant other, son, daughter, stepson, stepdaughter, father, step-father, mother, step-mother, sister, brother, grandparents, grandparents of spouse, grandchildren, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in law, and sister-in-law.

Two additional days may be allowed at the discretion of the City in the event travel is necessary. One day will be allowed for funeral of other relatives

Any employee wishing to have a significant other recognized for the purpose of this section shall file the designated form with the City Administrator documenting their significant other. Changes to this form may be made once annually during the month of open enrollment for health insurance.

Section B.

When an employee is on vacation or sick leave, and a death occurs in the immediate family, and the employee notifies their immediate supervisor of such death, their vacation or sick leave time shall be changed for the said three (3) days to funeral leave as allowed in Section A above.

ARTICLE 14  
INSURANCE PROGRAM

Section A. Medical, Hospital and Dental Insurance

- 1) PREMIUMS: The employer shall offer the two contribution options for employees<sup>4</sup>:

<u>Cafeteria Plan</u>	<u>The employer shall contribute \$950.00 per month for the purpose of selecting options from the cafeteria plan provided, including but not limited to health, dental, life insurance, etc.</u>
<u>80/20 Premium Split</u>	<u>The employer shall contribute 80% of the premium costs. The employee shall be responsible for the remaining 20%</u>
*These options shall be available for single coverage or family coverage	

- 2) DEDUCTIBLE CONTRIBUTION: The City of Chisholm shall contribute one hundred and twenty-five dollars (\$125) per month for single coverage and two hundred dollars (\$200) per month for family coverage to the authorized medical expense accounts of all employees covered under the City's health insurance program.

In the event that medical insurance premiums are increased by a minimum of 20% for any year, the employer and the union representatives shall be authorized to investigate other insurance coverage options. All proposed insurance coverage changes, to include carrier, must be agreed to by the membership of Local 536 prior to implementation.

In the event that an employee and their spouse are both employees of the City and both are eligible for insurance benefits, one such spouse may elect to drop both health and dental coverage. In the event one such spouse does elect to drop both health and dental insurance, twenty-five percent (25%) of the cost of single coverage for both health and dental insurance shall be applied to the above cited fifty percent (50%) payment, paid by the spouse who continues to be covered by health and dental insurance.

Section B. Life Insurance

The Employer shall provide and pay for the premiums for a life insurance program as part of their cafeteria plan as follows:

- (1) \$50,000 per active employee, together with \$50,000 double indemnity in case of accidental death and dismemberment insurance.

- a) If an employee retires due to a disability and the insurance carrier agrees to provide continued

---

<sup>4</sup> Employees hired before January 1, 2008 shall receive the option of medical insurance benefits found in the collective bargaining agreement entered into between the Union and City that expired December 31, 2019.

life insurance to such retired employee, which coverage would start within a period of six (6) months after the disability retirement, the City agrees to continue the employee's life insurance and pay such premium for a period of up to six (6) months after the disability retirement.

- b) Employees may participate in the optional dependent life insurance coverage with the cost thereof paid by the employee through payroll deduction. This optional dependent life insurance coverage may be started during the yearly open enrollment period.
- (2) \$5,000 term life policy for retirees. For those employees retiring after January 1, 2006, the City shall provide a \$10,000 term life policy.

Where an employee has elected participation in the cafeteria plan life insurance premiums shall be debited against their total cafeteria plan allowance.

Section C.                    Disability Retirement

Any employee whose services are terminated due to total permanent disability and who subsequently becomes eligible and receives a public employee permanent disability benefit shall continue to be covered by the then-existing hospitalization and medical insurance program covering employees of the Employer. The Employer shall pay the same amount as active employee's single rate. Upon disability retirement, the Employer agrees to provide the total of accrued unused sick leave to a maximum of 150 days in pay toward the hospitalization benefits for dependents for those employees eligible until such time as the amount of monies is depleted, at which time the employee will then be subject to paying the dependent coverage if they wish to continue the same. The disabled employee shall be obligated to provide payment of the remaining dependents' premium cost in advance of the billing date. Such payment shall be made on a monthly or quarterly basis at the discretion of the Employer. Failure on the part of the disabled employee to provide such payment shall automatically cancel his right to benefits for any such period.

Section D.                    Retired Employee's Coverage (Employees hired prior to 1/1/06)

- (1) Any employee who retires shall become eligible for the supplemental insurance coverage or insurance program then in effect with the Employer; provided, however, that such retired employee is eligible for and is receiving the benefits under a public employee's retirement program and has at least ten (10) years' service with the City.
- (2) For each eligible employee under Section D (1) above, the Employer will continue to provide hospitalization and medical insurance coverage in the same program as the regular employees. In the event that the retired employee is entitled to Federal Social Security Medicare benefits, the Employer shall then provide a supplemental hospital-medical coverage to supplement the Medicare coverage.

Effective January 1, 2000, the retiree will pay both parts "A" and "B" premiums for Medicare coverage.

- (3a) The Employer shall pay the premium for the single coverage under either option contained in Section D (2) above. At the time of retirement, all employees who have accumulated sick leave days to their credit shall be credited with an amount equal to one-half (1/2) of the value of their unused sick leave

accumulation as of the date of retirement. This amount shall be placed into the employee's HCSP. The retiree may continue family coverage by deductions from their HCSP Account until it is exhausted and then may continue family coverage by paying the monthly premium into the HCSP Account. Any accumulation in the special fund to his credit shall, on the death of a retiree, be converted for payment of dependent coverage until such time as it is exhausted.

- (3b) Upon retirement (age 58 with 20 years of service or 62 thru 65, or when age and years of service total 90 pursuant to PERA Rule of 90), the Employer agrees to provide the total of accrued unused sick leave to employees with the maximum total of 150 days in pay toward the hospitalization benefits and/or payout into the employee's HCSP account for dependents of those employees eligible until such time as the amount of monies is depleted, at which time the employee will then be subject to paying the dependent coverage if they wish to continue with same.

The provisions of the above paragraph also apply to an employee hired after January 1, 1994, who has fifteen (15) or more years of service, subject to the seven hundred fifty (750) hour maximum total accumulation provided in Article 10, Section A. In the event of the retiree's death, such monies as may remain in the fund shall be used to pay the spouse's and dependent children's coverage until such time as they are depleted.

The Employer agrees to pick up the cost of increase in said premium to a maximum of \$80.00 per month; any amounts over \$80.00 monthly shall be paid by the spouse. The Employer shall set aside annually the amount of money to cover such retired employee's spouse coverage.

- (4) Whenever an employee chooses to apply for early retirement and does not qualify under total permanent disability, Medicare, or the provisions of paragraph D (3b) , and such employee's application for retirement is in a status of a deferred annuity, the employer shall contribute 20% per month toward the employee's medical/dental insurance premiums and the employee shall be obligated to provide the balance of the premium costs until such time as the employee meets the requirements of paragraph D (3b), at which time the appropriate Section D (3a) or D (3b) shall apply. Unused sick leave hours, amounts as specified in Section D (3a) or D (3b), whichever applies, shall be utilized to pay the employee's share of premiums until exhausted. Severance pay shall be withheld until the employee attains the age of 58 or PERA Rule of 90, whichever occurs first.
- (5) Employees who choose to work to age 70 shall have their fringe benefits retained as per the retiree level of benefits. Employees shall receive their health benefits as retired employees family coverage shall be paid from employee's sick leave fund. Employees who choose to work after 65 years of age shall receive one sick leave day per month.

Section E. Retired Employees Coverage (Employees hired after 1/1/06)

- (1) An employee hired after January 1, 2006, will not receive City paid retirement health insurance coverage. They will have access to a Health Care Savings Plan through the City of Chisholm, which will be funded by a yearly contribution by the City of Chisholm to be paid on the anniversary of the employee's date of hire. The amount will be equal to 24 times the employee's base hourly pay in effect on the anniversary date. The employees shall in addition contribute from their accumulated sick days 8 additional hours of

pay so long as the employees accumulated unused sick leave hours are equal or greater than 48 hours.

- (2) Upon the employee's receipt of monthly retirement benefits, the City of Chisholm shall from the accrued unused sick leave bank, existing at the time of the employee's severance from employment with the City of Chisholm, deposit an amount equal to the total number of accrued unused sick days times 8 hours times the base wage of the employee at the time of severance into the Health Care Savings Plan. These employees shall not be covered by the provisions of Article 10, Sick Leave, Section E.
- (3) Employees (hired after January 1, 2006) upon retirement may continue to participate, at their own expense, in the group plans at the rates that are in effect for active employees.

## ARTICLE 15 SENIORITY

### Section A.

- (1) Seniority standing shall be granted to all employees. For the purpose of bumping and posting, the standing is to be determined by most recent date of service covered by this collective bargaining agreement. For all other benefits, the standing is to be determined on the basis of the total length of continuous employment for the Employer. Employees shall be placed on probation for a period of one hundred twenty (120) shifts worked and, upon successful completion of such probationary period, seniority shall revert to the first day of employment.
- (2) A part-time employee's seniority standing shall be based upon their total hours of service. (2080 hours shall equal one year of service) If a part-time employee goes to full time employment, in accordance with Section I, their total hours of service will be divided by 2080 to establish an effective seniority date.

### Section B.

An employee shall lose his seniority standing if:

- (1) They voluntarily resigns from employment;
- (2) They are discharged for cause;
- (3) They fail to report for work after layoff within fifteen (15) days whenever feasible after receipt of notice by Registered Mail. The City Clerk shall send this notice to return to work to the employee at his last known address;
- (4) In the event of a layoff and during layoff period, an employee's seniority would be retained for up to two (2) years.

### Section C.

Employees shall be laid off in inverse order of seniority. In the event of rehiring, they shall be rehired according to seniority in the inverse order of layoffs. Such employee shall have a five-day period in which to qualify for the position for which he is rehired. Employees shall be given two weeks' notice of lay-off.



#### Section D.

In case of transfer from one classification of work to another, an employee involved in the transfer shall not lose seniority standing.

#### Section E.

In case of reduction of force or the elimination of a position, a senior employee may exert his seniority preference over a junior employee in any classification of work, provided he has the necessary qualifications to perform the duties of the job involved. A part-time employee who is laid off shall not have the right to bump into a full-time position. The determination as to whether or not he has such necessary qualifications shall be made by the Employer.

#### Section F.

Temporary vacancies shall be filled by the senior qualified employee. In the event said vacancy has a higher rate of pay, employee filling such vacancy shall receive such higher rate of pay. An employee who has filled a temporary vacancy shall have the right to return to his former position.

#### Section G.

No employee shall be permanently transferred to fill a position, except that if no one will fill the position, the least senior employee shall be assigned to fill the position. All employees, including part-time, shall be eligible for temporary postings. Temporary postings shall not exceed a period of four hundred and eighty (480) hours at which time they shall be abolished. This time period shall be extended by mutual agreement of the parties and the sixty (60) consecutive working day period shall not apply to a vacancy due to illness, injury or leave of absence which will last longer than the four hundred and eighty (480) hour period where there is any indication that the employee will return to work for the City. In the event a part-time employee posts to a full-time position, seniority for the purposes of benefits shall be the date the part-time employee accepts the full-time position.

#### Section H.

Notice of all vacancies and newly-created positions shall be posted on the employees bulletin boards. An employee shall be given seven (7) days' time in which to make application to fill said vacancy or new position. The senior employee making application shall be transferred to fill the vacancy or new position, provided they have the necessary qualifications to perform the duties of the job involved. The employee shall submit a written application for the posting to the Employer designee. This determination shall be made by the Employer. A thirty-day trial period shall be given the employee for the purpose of determining his qualifications, unless he is obviously not qualified. In the event the Union does not concur in the determination, the applicant shall have the right of appeal through the grievance procedure provided herein. In the event the Employer and the Union agree during the trial period that the applicant does not possess the necessary qualifications, the applicant shall have the right to return to his/her former position. Should that position still exist, and shall not be denied the right to make application for any other posting or to bump into an existing position for which they are qualified based on seniority.

#### Section I.

The seniority list shall be brought up to date on January 1 of each calendar year and posted on the employees' bulletin board. A copy of the seniority list shall be sent to the President of the Union, and both parties shall sign off when the list is determined to be correct.

ARTICLE 16  
GENERAL PROVISIONS

Section A.

There shall be no replacement of regular employees by casual or relief workers nor shall a casual worker be placed in any position other than labor without first giving consideration to the qualifications of regular employees.

Section B.

Two (2) weeks written notice of his/her desire to terminate employment shall be given to the Employer by the employee.

Section C.

The Employer shall provide the appropriate rain gear for each employee for times needed by said employee in the line of duty.

Section D.

All employees, who are not otherwise designated and who work twenty (20) hours per week or more on a regular routine average shall be entitled to fringe benefits on the following basis: Sick leave, vacation, longevity and holiday pay shall be on a pro rata basis, and such employees shall be entitled to the insurance program and the contributions therefore on the same basis as a full-time employee.

Section E.

The pay equity study, complete with an evaluation board, will be performed for all positions prior to the next compliance report.

Section F.

Upon receipt (must be the original), the Employer will reimburse the employee up to a maximum of \$175.00 each year of a two year cycle for the purchase of work related safety apparel or safety equipment with prior approval of the City Administrator. At no time shall an employee's apparel allowance exceed \$350.00 in their individual account.

(Members with existing balances in their accounts as of the signing of this agreement will have until January 1, 2017 to use their balance. If not used, 75% of the existing balance will be contributed to the employee's HCSP).

Section G.

Employees who are required by Management to attend out of town meetings or trainings shall be reimbursed at the IRS mileage rate if they use their personal vehicle for travel. In addition, employees shall receive a meal allowance/per diem at the rate of ten dollars (\$10.00) for breakfast, fifteen dollars (\$15.00) for lunch and twenty five dollars (\$25.00) for supper.

Section H.

In the event that an employee is required to submit to a drug and alcohol screening as per the Drug and

Alcohol Policy, if the test is negative, the employee shall be compensated, at their regular rate of pay, for all hours scheduled from the time the test is ordered until the time the employee is cleared to return to work.

Section I.

Work assigned on a regular basis to AFSCME employees shall not be performed by non-bargaining unit staff or temporary contract workers except in cases of emergencies and only after the work has been offered as overtime to all qualified bargaining unit employees. Senior employees declining overtime reserve the right to accept if all other employees decline the work.

An emergency shall be defined as a situation where not performing the work would create an immediate safety issue to the public and/or an employee. Except for snow and ice, and emergency shall be defined as an unforeseen circumstance or combination of circumstances calling for the immediate action and a situation which is not expected to be recurring in nature.

ARTICLE 17  
GRIEVANCE PROCEDURE

Section A.

The Employer agrees to permit the negotiating or grievance committee to appear at all negotiations or pre-arranged grievance meetings with department heads or the Employer in negotiations or disputes without loss of pay. The Union representative shall also have access to the premises of the Employer at reasonable times to investigate grievances and other problems with which they are concerned.

Section B.

A duly authorized grievance committee representing the Union shall be named by the Union, and a list of names of members of the committee will be submitted to the Mayor and City Council each year following the Union's annual meeting.

Section C.

Step 1. An employee or group of employees claiming a violation concerning the interpretation or application of this contract shall, within fourteen (14) working days after such alleged violation has occurred, present such grievance to the employee's immediate supervisor. The supervisor will discuss and give an answer to such Step 1 grievance within five (5) working days from the date of the grievance meeting between the parties. In the event the grievance is unresolved, the grievant or the Union shall have seven (7) working days after the supervisor's final answer to submit the grievance to Step 2. Any grievance not appealed in writing to Step 2 by the Union within seven (7) working days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the Employer designee. The Employer designee shall give the Union the Employer's Step 2 answer in writing within ten (10) working days after receipt of such grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) working days following the Employer designee final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) working days shall be considered waived.

Step 2A. Prior to going to arbitration, either party to the Agreement may request mediation of the grievance by the Minnesota Bureau of Mediation Services. Such request must be made within ten (10) days following the decision in Step 2. The time limit for requesting arbitration is tolled during mediation and if mediation does not resolve the grievance, arbitration may commence as hereafter provided.

Step 3. A grievance unresolved in Step 2 or Step 2A and appealed to Step 3 shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act, Minnesota Statutes 179A, as amended. A request to submit a grievance to arbitration must be in writing and such request must be submitted to the Employer designee. No grievance shall be considered by the arbitrator which has not been first duly processed in accordance with the grievance procedure and appeal provisions.

Subd. 1. Selection of Arbitrator: Upon the proper submission of a grievance under the terms of this procedure, the parties shall request the Bureau of Mediation Services to send them a list of arbitrators so that the parties can select the arbitrator who will hear and decide the case. Upon receiving the list, the method in the selection shall be by virtue that each of the parties shall eliminate one name until one name remains. The remaining name shall be the arbitrator who shall make his decision regarding the grievance and which shall be binding on the parties. The grieving party shall strike the first name.

Subd. 2. Hearing: The grievance shall be heard by a single arbitrator, and both parties may be represented by such person or persons as they may choose and designate, and the parties shall have the right to a hearing at which time both parties will have the opportunity to submit evidence, offer testimony, and make oral or written arguments relating to the issues before the arbitrator. The proceedings before the arbitrator shall be a hearing de novo.

Subd. 3. Expenses: The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the responsible parties. Each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings, the cost shall be borne equally.

Subd. 4. Arbitrator's Authority: The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules and regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following close of the hearing or submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.

## ARTICLE 18 DEMOTIONS AND TRANSFERS

### Section A.

Demotions or transfers shall be made only for good and sufficient reason. The employees affected shall receive prior notice upon stated charges, in writing, of any such action.

ARTICLE 19  
DISCIPLINE

Section A.

The parties recognize the authority of the City to discipline, discharge or take other appropriate disciplinary action against employees for just cause.

Section B.

The following shall be the sequence of disciplinary action:

- |    |                    |    |            |
|----|--------------------|----|------------|
| A. | Oral Reprimands    | C. | Suspension |
| B. | Written Reprimands | D. | Discharge  |

The above sequence of disciplinary action shall not apply in cases when the infraction is considered just cause for written reprimand, immediate suspension or discharge. Record of oral and written reprimands will be removed from the employee's record after an eighteen (18) month period from the last infraction.

ARTICLE 20  
WAGE ADMINISTRATION

Section A.

For the purpose of scheduling employees and computing overtime under this Agreement:

- (1) The pay period shall be a period of two consecutive calendar weeks commencing at 12:01 a.m. Sunday of the first day of such pay period on the shift-changing time nearest to that time on such Sunday.
- (2) There shall also be twenty-six (26) pay days in each calendar year.
- (3) Itemized Statement with Employee's Pay Check: The Accounting Department shall provide an itemized statement for each employee with each pay check so that each employee may be able to account for the number of regular hours, overtime hours, premium pay and all authorized deductions from such employee's earnings.

ARTICLE 21  
JURY DUTY

Section A.

Any employee who is summoned for jury duty shall receive his regular pay for such period, less the amount he receives as a juror. Only the per diem amount shall be deducted from the employee's regular pay and shall not

include the amount received for mileage reimbursement.

ARTICLE 22  
DURATION

This Agreement shall remain in full force and effect through December 31, 2022. It shall be automatically renewed from year to year thereafter unless either party desires to modify or amend said Agreement. The request to modify or amend the Agreement shall be made by either party giving a written notice of such intent not later than ninety (90) days prior to the expiration of this Agreement or any extension thereof.

ARTICLE 23  
SEVERABILITY

The provisions of this Agreement shall be severable, and if any provision thereof, or the application of any such provision under any circumstances is held invalid, it shall not affect the other provisions of this Agreement or the application of any provisions thereof.


IN WITNESS WHEREOF, the parties hereto have set their hands and seals this \_\_\_\_ day of \_\_\_\_\_, 2020.

CITY COUNCIL  
CITY OF CHISHOLM, MINNESOTA

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Clerk/Treasurer/City Administrator

LOCAL UNION 536, AMERICAN  
FEDERATION OF STATE, COUNTY &  
MUNICIPAL EMPLOYEES AFL-CIO

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Staff Representative

APPENDIX "A"

Local Union 536 Wage Scale

Effective January 1, 2020 a wage increase of 2.25% will be applied. As of January 1, 2021 a wage increase of 2.25% will be applied. As of January 1, 2022 a wage increase of 2.25% will be applied. The following table shows the updated wage scale for this contract term:

<u>CLASS</u>	<u>1/1/2020 (2.25 %)</u>	<u>1/1/2021/ (2.25%)</u>	<u>1/1/2022 (2.25 %)</u>
CLASS I	\$29.04	\$29.69	\$30.36
CLASS II	\$28.15	\$28.78	\$29.43
CLASS III	\$27.39	\$28.01	\$28.64
CLASS IV	\$26.86	\$27.46	\$28.08
CLASS V	\$26.31	\$26.90	\$27.51
CLASS VI	\$20.57	\$21.03	\$21.51
CLASS VII	\$15.58	\$15.93	\$16.29

Acting Foreman- 10% above Class 1 rate.

An Acting Foreman is defined as the most senior available employee from each department who possesses the appropriate skills, experience, and licensure when expressly appointed by management to lead a crew of two or more individuals where the exercise of judgment is required in order to ensure the safety and success of the crew.

New Employees shall be paid as follows:

Start	80% of class rate
After 120 shift probationary period	90% of class rate
One year after completion of the probationary period	100% of class rate

APPENDIX "B"

<u>CLASSIFICATIONS</u>	<u>TITLE</u>
10% ABOVE CLASS I CLASS I	WORKING FOREMAN LIBRARY LEAD PERSON CEMETERY SEXTON MECHANIC CARPENTER SEWER COLLECTION LEAD PERSON WATER PLANT OPERATOR WATER LEAD PIPEMAN PUBLIC UTILITIES CLERK/BOOKEEPER LEAD BUILDING & PARKS MAINTENANCE
CLASS II	HEAVY EQUIPMENT OPERATOR REFUSE COLLECTION/HEAVY EQUIPMENT WATER FILTER/PIPEMAN (W/CLASS C LICENSE) PAYROLL CLERK/TYPIST
CLASS III	ADMINISTRATIVE SECRETARY POLICE DEPARTMENT CLERK LIBRARY ASSISTANT TRUCK OPERATOR WATER FILTER/PIPEMAN (WITH CLASS D LICENSE) WASTE WATER MAINTENANCE (WITH CLASS D LICENSE)
CLASS IV	PART-TIME LABORER LIBRARY TECH I
CLASS V	LIBRARY TECH II
CLASS VI	LIBRARY AID
CLASS VII	GENERAL LABORER JANITOR/CUSTODIAN



APPENDIX "C"  
SENIORITY LIST

FULL TIME EMPLOYEE LIST

<u>Name</u>	<u>Date of Employment</u>
Bruce Matack	9/1/81
Scott Oberstar	2/26/94
Lawrence Pervenanze	6/16/97
Leon Wegener	11/17/08
Leonard Pahule	12/15/10
Denise Kealy	6/6/11
Mike Kavlie	10/12/11
Joby Wolff	10/24/11
Kristi Castagneri	1/6/14
Luke Amundson	3/17/14
Bruce Rudstrom	3/17/14
Aaron Doering	5/30/17
Chris Manner	2/26/18
Gage Leustek	10/21/19

PART-TIME EMPLOYEES LIST

<u>Name</u>	<u>Part-time List</u>
Deborah Wangenstein	8/4/14
Michelle Perpich	1/7/16

**MEMORANDUM OF UNDERSTANDING  
BETWEEN:**

**CITY OF CHISHOLM**

**AND**

**THE AMERICAN FEDERATION OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES, AFL-CIO  
LOCAL UNION NO. 536**

---

**WHEREAS**, the City of Chisholm (hereinafter "City") and the American Federation of State, County, and Municipal Employees, AFL-CIO Local 536 (hereinafter "AFSCME") have entered into a labor agreement that has effective dates of January 1, 2020 through December 31, 2022; and.

**WHEREAS**, Article 7, Section A incorporates a wage schedule represented in Appendix A which in turn creates a wage progression for newly hired employees; and

**WHEREAS**, the wage progression contained within Appendix A starts a new employee at 80% of the base wage, that progresses to 90% after 120 shifts and finally to full wage one year after the initial 120 shift probationary period; and

**WHEREAS**, the City believes that for the purpose of recruitment and retention of qualified candidates for positions falling under the collective bargaining agreement between the City and AFSCME the wage progression currently contained within Appendix A should be amended; and

**WHEREAS**, the City believes that a more beneficial wage progression would start newly hired employees at 90 % of base wage during a 120 shift probationary period and to full wage thereafter; and

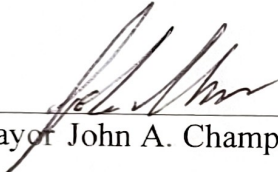
**WHEREAS**, AFSCME does not object to the application of the updated wage progression and agrees that it would be a benefit to its members.

**NOW THEREFORE** it is hereby agreed and understood between the parties as follows:

1. That the wage progression currently contained within Appendix A shall not be applied to newly hired employees under the collective bargaining agreement between the City and AFSCME.

2. That newly hired employees falling under the collective bargaining agreement between the city and AFSCME shall start employment at 90% of base wage which rate shall continue during a probationary period which shall be their first 120 shifts thereafter they shall earn 100% of the set base rate for their position.
3. That the application of this updated wage progression shall be applied retroactively to January 1, 2020.

**CITY COUNCIL  
CHISHOLM, MINNESOTA:**

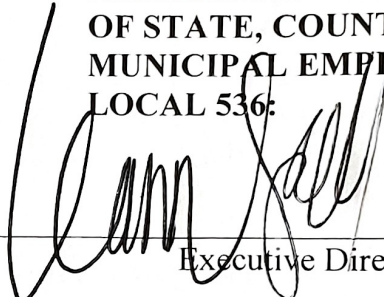
  
\_\_\_\_\_  
Mayor John A. Champa

4/1/2021  
\_\_\_\_\_  
Dated


  
\_\_\_\_\_  
Interim City Administrator Eileen Zah

3/31/2021  
\_\_\_\_\_  
Dated

**AMERICAN FEDERATION  
OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES  
LOCAL 536:**

  
\_\_\_\_\_  
Executive Director

4/8/21  
\_\_\_\_\_  
Dated

  
\_\_\_\_\_  
Association Representative

4-8-21  
\_\_\_\_\_  
Dated

**MEMORANDUM OF UNDERSTANDING  
BETWEEN:**

**CITY OF CHISHOLM**

**AND**

**THE AMERICAN FEDERATION OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES, AFL-CIO  
LOCAL UNION NO. 536**

---

**WHEREAS,** ~~the City of Chisholm (hereinafter "City") and the American Federation of State, County, and Municipal Employees, AFL-CIO Local 536 (hereinafter "AFSCME")~~ have entered into a labor agreement that has effective dates of January 1, 2020 through December 31, 2022 (hereinafter the "Labor Agreement"); and

**WHEREAS,** Article 7, Section A incorporates a wage schedule represented in Appendix A which in turn creates a base wage for various job classifications; and

**WHEREAS,** Appendix B to the Labor Agreement designates various positions contained within the bargaining unit and assigns those positions to the various job classifications; and

**WHEREAS,** the City is currently in the process of updating its structure and wishes to make changes to certain positions and duties; and

**WHEREAS,** as a part of the City's plan they have created a new position of City Clerk/Treasurer that will be a supervisory position overseeing the City's financial processes; and

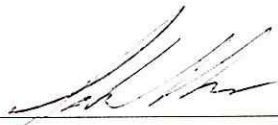
**WHEREAS,** because of the changes, the Deputy Clerk/Treasurer position will be eliminated and certain non-supervisory functions will be assigned to a newly created Accountant position; and


**WHEREAS,** the parties agree the Accountant position is an appropriate position to be included within the AFSCME bargaining unit.

**NOW THEREFORE** it is hereby agreed and understood between the parties as follows:

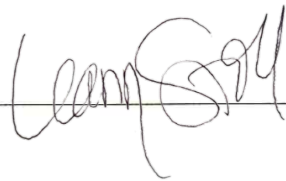
1. That the newly created Accountant positions shall be accepted by the AFSCME Local No. 536 bargaining unit.
2. That the Accountant position shall be inserted into Appendix B as a Class I position.
3. That during the next negotiation of the Labor Agreement, the parties shall insert the Accountant position into the formal language of the contract and at that point, this Memorandum of Understanding will sunset and be of no further effect.


**CITY COUNCIL  
CHISHOLM, MINNESOTA:**

  
\_\_\_\_\_  
Mayor  
  
10/4/2021  
\_\_\_\_\_  
Dated

  
\_\_\_\_\_  
City Administrator  
  
9/27/21  
\_\_\_\_\_  
Dated

**AMERICAN FEDERATION  
OF STATE, COUNTY AND  
MUNICIPAL EMPLOYEES  
LOCAL 536:**

By:   
Its: \_\_\_\_\_  
  
10/21/21  
\_\_\_\_\_  
Dated

  
\_\_\_\_\_  
Association Representative  
  
10-13-2021  
\_\_\_\_\_  
Dated



This Memorandum of Agreement is entered into between the City of Chisholm (hereafter "Employer") and AFSCME, AFL-CIO, Local 536 (hereafter "Union") representing the employees of the City of Chisholm.

WHEREAS: The Parties have been informed by the Minnesota State Retirement System (MSRS) it is necessary to make changes to the AFSCME collective Bargaining Agreement as our language is out of compliance;

WHEREAS: Both parties wish to maintain participation in the PRHCSP; and

NOW THEREFORE: The Employer and the Union agree it is necessary to outline the terms and conditions of these changes to bring us into compliance;

BE IT RESOLVED: The following changes shall maintain the full force and effect of the CBA for the remainder of the contract term:

Article 9, Section A: "Compensatory time may be accumulated to an annual rolling maximum of forty-eight (48) hours with a cash-out ~~or payout into their HCSP~~, of up to a maximum or carry over option at year end. In the event of a cash-out, such cash out shall be paid by separate check in the first pay period of December of the year of the cash-out. Each rolling calendar year shall commence upon the date of cash out.


Article 10, Section I: "Employees who suffer a worker's compensation related injury while employed by the Employer shall have the option of utilizing one third (1/3) day of sick leave, or no sick leave to remain qualified for the sick leave bonus. It would exclude employees who request and are granted a leave of absence exceeding five (5) days. The sick leave bonuses will coincide with the calendar year. ~~The sick leave bonus check will then be issued the first pay period of January on a separate check. At the employee's request, The City will shall~~ payout the bonus into the employee's HCSP fund once annually the first pay period of January. ~~during the same time.~~ Employees not working a full year of employment shall receive their sick leave bonus on a pro-rata basis."

BE IT FURTHER RESOLVED: The terms and conditions agreed to in this Letter of Understanding shall be incorporated into the Labor Agreement when the contract is reopened for regular negotiations.

FINALLY, This Letter of Understanding represents the full and complete agreement between the parties regarding this matter. The provisions of this LOU do not modify the parties Labor Agreement, but instead are in addition to the existing provisions. All other provisions of the collective bargaining agreement continue to apply including but not limited to: XXXXXX.

DATED THIS 9th of June, 2021.


FOR THE EMPLOYER

  
\_\_\_\_\_  
Mayor John Champa

  
\_\_\_\_\_  
Interim City Administrator- Eileen Zah

FOR THE UNION

  
\_\_\_\_\_  
Labor Representative- Leann Stoll

  
\_\_\_\_\_  
Local 536 President- Lenny Pahule