



Collective Bargaining Agreement
Between
AFSCME Council 65, Local 3628-0003, AFL-CIO
And
Pillager City
1/1/2022 – 12/31/2024

Labor Representative: Ginger Thrasher (gthrasher@afscme65.org or 320-640-0145)

AFSCME Council 65 Office: info@afscme65.org or 888-474-3242

WEINGARTEN RIGHTS

If called to a meeting with management, you have rights to representation. State the following and call your labor representative: If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my union representative be present at the meeting. Until my representative arrives, I choose not to participate in this discussion.

BECOME AN AFSCME 65 MEMBER

Are you a new employee or not a member yet? Scan the QR code to sign up today and take advantage of the many benefits of AFSCME membership!



MEMBER BENEFITS

Are you taking advantage of your union member benefits? Check out the many benefits available from AFSCME Advantage and Union Plus at:

www.afscme.org/member-resources

www.unionplus.org

Make sure to have your member number handy when accessing these benefits.

ORGANIZING

Know someone who wants to form a union at their workplace? Contact our Organizing Department at 888-474-3242 or email info@afscme65.org and inquire about forming a union. Make sure they tell us you referred them. Your Local benefits from referring new union members.



01/01/22 THROUGH 12/31/24
LABOR AGREEMENT BETWEEN
THE CITY OF PILLAGER
AND
AFSCME Council No. 65
Local 3628 – General Unit

TABLE OF CONTENTS

ARTICLE		SUBJECT PAGE
1	INTRODUCTION	3
2	RECOGNITION	3
3	DEFINITIONS	3
4	UNION SECURITY	4
5	MANAGEMENT RIGHTS	6
6	NO STRIKE	7
7	PART-TIME EMPLOYEES	7
8	INSURANCE	8
9	PROBATION	8
10	GRIEVANCE PROCEDURE	9
11	DISCIPLINE	12
12	HOLIDAYS	13
13	PAID LEAVE/PERSONAL TIME OFF (PTO)	14
14	HOURS OF WORK	17
15	WAGES	18
16	EQUIPMENT/CLOTHING ALLOWANCE	18
17	SENIORITY	18
18	SAVINGS CLAUSE	19
19	COMPLETE AGREEMENT	19
20	MUTUAL CONSENT	19
21	DURATION	20
	APPENDIX A	21

[25983-0001/2544536/1]

Article 1. INTRODUCTION

This Agreement is made and entered into by and between the City of Pillager, hereinafter referred to as the Employer and AFSCME Council No. 65, hereinafter referred to as the Union.

Article 2. RECOGNITION

Section 1. The Employer recognizes the Union as the exclusive bargaining representative, under Minnesota Statutes Section 179A.03, Subdivision 14, as certified by the Bureau of Mediation Services on February 28, 2015 BMS Case No. 15PCE0586, and described as:

All employees of the City of Pillager, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03, subd. 14, excluding supervisory and confidential employees or licensed peace officers.

The parties agree that limited term, temporary and intermittent/casual employees are excluded from the bargaining unit.

Section 2. In the event that the Employer and the Union are unable to agree as to the inclusion or exclusion of a new or modified job class the issue shall be submitted to the Bureau of Mediation for determination.

Section 3. The Employer shall not enter into any agreements covering terms and conditions of employment with the employees of the bargaining unit under the jurisdiction of the Agreement, either individually or collectively, which in any way conflicts with the terms and conditions of the Agreement, except through the certified exclusive representative.

Article 3. DEFINITIONS

Section 1. Employee: A member of the exclusively recognized bargaining unit.

Section 2. Employer: The City of Pillager.

Section 3. Bargaining unit employee: A regular employee in a classified bargaining unit

[25983-0001/2544536/1]

position.

Section 4. Bargaining unit position: A job classification included in the bargaining unit pursuant to Article 2 (Recognition) and which is established as an on-going position. A bargaining unit position does not include a position which is created merely to address an overload or emergency situation or is otherwise intended to be limited in duration.

Section 5. Regular employee: An employee who is regularly scheduled for a set number of hours per week. The work he or she performs is of an on-going nature.

Regular full-time employee: An employee in a classified bargaining unit position who is regularly scheduled to work 40 hours per week and has successfully completed the probationary period.

Regular part-time employee: An employee in a classified bargaining unit position who is regularly scheduled to work at least 30 hours per week and less than 40 hours per week and has successfully completed the probationary period.

Section 6. Temporary Employee: An employee who is not in a classified bargaining unit position because the employment is basically temporary or seasonal in character and limited by duration not to exceed 67 working days in any calendar year or a specific project or task. Temporary employees are not included in the definition of a bargaining unit employee.

Section 7. Days: Except as indicated otherwise in the Agreement, all references to days are calendar days.

Section 8. Years of Service: Years of service shall mean consecutive employment as a full-time permanent employee.

Article 4. UNION SECURITY

Section 1. The Union may designate certain employees from the bargaining unit to act as stewards and shall, within five (5) calendar days of such designation, certify to the Employer, in writing, of such choice and the designation of successors to former stewards. The Union shall also certify to the employer a current list of any non-employee business representative(s) upon execution of this agreement.

A. The Employer agrees to recognize stewards certified by the Union as
[25983-0001/2544536/1]

provided in this section subject to the following stipulations:

1. There shall be no more than 1 steward.
 2. The Employer agrees to allow the steward a reasonable amount of time off, with pay, for the processing of grievances through Step 1, on behalf of Employees with prior notice to the Employer and a determination by the Employer that work needs permit such interruption. The Employer must approve the time off. The steward shall notify the Employer upon resumption of their work.
- B. A non-employee business representative of the Union, previously certified to the Employer as provided herein may, with the prior approval of the Employer, come on the premises of the Employer for the purpose of bargaining and processing grievances.

Section 2. In recognition of the Union as the exclusive representative:

- A. The Employer shall deduct an amount sufficient to provide the payment of regular dues and/or other approved deductions established by the Union from the wages of all employees authorizing, in writing, such deduction in a form mutually agreed upon by the Employer and Union, and the deduction of dues shall commence 30 working days after initial employment with the Employer; and
- B. The Employer shall remit such deduction to AFSCME Council 65 Administrative Office (118 Central Avenue, Nashwauk, MN 55769) with a list of the names of the employees from whose wages deductions were made along with other pertinent employee information necessary for the collection and administration of union dues preferably in an Excel formatted report that may be electronically transmitted or by U.S. Mail ; and
- C. The Union shall certify to the Employer, in writing, the current amount of regular dues to be withheld. The Union shall provide the formula or schedule (if applicable) to calculate the actual dues deduction to the Employer and will provide a spreadsheet than can be used to calculate the actual dues along with

[25983-0001/2544536/1]

any set amount for local assessments, in an electronic Excel format or via U.S. Mail.; and

- D. Any "fair share" fee deducted shall be withheld in accordance with State and Federal law.

Section 3. The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer by a Union member as a result of action taken by the Employer under all provisions of Section 2 of this Article.

Article 5. MANAGEMENT RIGHTS

Section 1. The Union recognizes the right and authority of the Employer to operate and manage its affairs in all respects in accordance with its management rights, existing and future laws and regulations of the appropriate authorities. The rights or authority which the Employer has not officially abridged, delegated or modified by this Agreement are retained by the Employer.

Section 2. Except as limited by the specific provisions of this Agreement, the Employer shall retain whatever rights and authority are necessary for it to operate and direct the affairs of the Employer in all of its various aspects, including but not limited to the right to operate and manage all facilities and equipment; to establish or discontinue functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to schedule working hours and assign overtime; to select, direct and determine the number of personnel; to hire, promote, suspend, discipline, or discharge personnel for just cause; to lay off or relieve Employees due to lack of work, economic, or financial reasons; to make and enforce reasonable rules and regulations; to contract with vendors or others for goods and/or services including the right to subcontract any or all functions performed by members of this bargaining unit with three months' notice to the bargaining unit, to take any and all actions necessary to carry out the operations of the employer in situations involving a disaster or emergency consistent with the terms and conditions listed in this agreement to the extent practicable, to assign duties, tasks, and jobs, and to perform such other inherent managerial functions as set forth in the Minnesota Public Employee Labor Relations Act of 1971, as amended.

[25983-0001/2544536/1]

Section 3. The Employer's failure to exercise any right, prerogative, or function hereby reserved to it, or the Employer's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Employer's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

Section 4. The parties recognize that all employees covered by this Agreement shall perform the services and duties prescribed by the Employer and shall be governed by Employer rules, policies, regulations, directives and orders, provided that such rules, regulations and orders are not inconsistent with the provisions of this Agreement or state or federal laws. All Council approved policies and work rules must be provided to each Employee in writing. The Employer will provide the Union with notice of any proposed change in any policy applicable to the bargaining unit members at least thirty (30) days prior to implementation of the policy.

Section 5. The Employer shall make space available on the employee bulletin board for posting Union notice(s) and announcement(s).

Article 6. NO STRIKE

Section 1. Neither the Union, its officers or agents, nor any of the Employees covered by this Agreement will engage in, encourage, sanction, support or suggest any strike, slow downs, mass resignations, mass absenteeism, the willful absence from one's position, the stoppage of work or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing or coercing a change in the conditions or compensation of the rights, privileges or obligations of employment, during the life of this Agreement.

Section 2. Any or all Employees who violate any of the provisions of this article may be discharged or otherwise disciplined.

Section 3. No lockout shall be instituted by the Employer during the life of this Agreement provided Section 1 of this Article is not violated by employees or the Union.

Article 7. PART-TIME EMPLOYEES

Section 1. Regular part-time employees who are appointed to a position that is regularly scheduled to work at least thirty hours (30) per week shall receive pro-rata paid time off.

[25983-0001/2544536/1]

Section 2. Regular part-time employees who are appointed to a position that is regularly scheduled to work less than thirty hours (30) per week shall not receive pro-rata paid time off.

Section 3. Regular part-time employees will be eligible for a wage increase after one year with a minimum of working 1560 hours for the employer, and upon a satisfactory review, subsequent wage increases shall be based upon calendar years.

Section 4. Regular part-time employees will be eligible for holiday pay in the event that they would normally have been scheduled to work on that day but for the observed holiday as outlined in Article 12.

Article 8. INSURANCE

Section 1. All eligible full-time employees may participate in the Employer's insurance program. An eligible employee is defined as an individual who would be covered under the health insurance coverage provisions of both the City's personnel policies and insurance plan documents between the City and insurer. For the term of this agreement, the Employer will contribute 80% of the premium for family health insurance, with the employee responsible for the remaining 20%. Single coverage will be paid 100% by the Employer. The scope of the insurance coverage will be determined by the Employer.

Section 2. The employer will pay \$16.00 per month for each full-time employee for the life insurance coverage of employees. The life insurance policy will be chosen by the Employer.

Article 9. PROBATION

Section 1. Regular full-time employees. All employees hired into a regular full time position who are original hires, or rehires following separation, shall serve a probationary period of six (6) consecutive months of active work (which does not include time spent on a leave of absence except as may be required by law). The Employer may extend this probation for a period not to exceed ninety (90) days upon written notice to the employee and Union stating the reasons for the extension, and mutual agreement between the Employer and the Union.

Section 2. Regular part-time employees. All employees hired into a regular part time

[25983-0001/2544536/1]

position who are original hires, or rehires following separation, shall serve a probationary period of 1,080 hours of active work (which does not include time spent on a leave of absence except as may be required by law and does not include overtime or unscheduled work). The Employer may extend this probation for a period not to exceed 540 hours upon written notice to the employee and Union stating the reasons for the extension.

Section 3. At any time during the probationary periods noted in Sections 1 and 2, an employee may be terminated at the discretion of the Employer without such discharge being a violation of this agreement and such termination is not a proper subject for Article 10 (Grievance Procedure).

Section 4. Employees shall, during the probationary period, accumulate paid time off as provided by Article 13.

Article 10. GRIEVANCE PROCEDURE

Section 1. Definition of a Grievance. A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this agreement.

Section 2. Processing of a Grievance. It is recognized and accepted by the Union and the Employer that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the steward and grievant employee(s) and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee(s) and the steward representative shall be allowed a reasonable amount of time with pay, for the presentation of grievances through Step 1 during normal working hours provided the aggrieved employee(s) and the steward have previously notified and received approval from the Personnel Committee ("Committee") where the Committee has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.

Section 3. Procedure. Grievances, as defined by Section 1, shall be resolved in conformance with the following procedure:

Step 1:

An employee claiming a violation concerning the interpretation or application of this agreement shall, within ten (10) working days after the first occurrence of the

[25983-0001/2544536/1]

event constituting such alleged violation, sign and present such grievance in writing to the Committee designated by the Employer. The Employer designated Step 1 Committee must receive the grievance. The Employer designated Committee will discuss the matter with the grievant and Union representative and give an answer to such Step 1 grievance to the Union representative within ten (10) calendar days after receipt.

A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the agreement allegedly violated, the remedy requested, shall be signed by the grievant and shall be appealed to Step 2 within five (5) working days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed, in writing, to Step 2 by the Union within five (5) working days shall be considered waived.

Step 2:

If appealed to Step 2, the written grievance shall be presented by the Union and discussed with the entire Employer Council ("Council"). If the grievance relates to a disciplinary issue the grievant decides if the City Council meeting where the grievance is discussed will be open or closed to the public. The Council must receive the grievance. The Council shall give the Union representative the Employer's Step 2 answer in writing within five (5) calendar days after receipt of such Step 2 grievance.

A grievance not resolved in Step 2 may be appealed to Step 3 within five (5) working days following the Council's final Step 2 answer. Any grievance not appealed, in writing, to Step 3 by the Union within five (5) working days shall be considered waived.

Step 3:

The Union shall notify the Employer of a grievance unresolved in Step 2 and appealed to Step 3 in writing within five (5) working days following the Council's final answer in Step 2. The Union shall notify the Bureau of Mediation Services within ten (10) working days of the notice of appeal to the Employer that the Union is submitting the matter to arbitration and the Union shall

[25983-0001/2544536/1]

request that the Bureau of Mediation Services provide the parties with a list of arbitrators. The selection of an arbitrator shall be made in accordance with the rules and regulations as established by the Bureau of Mediation Services. The Union must contact the Employer within ten (10) calendar days of the date that the Bureau of Mediation Services has mailed the parties a list of arbitrators in order to strike arbitrators or notify the Employer of an objection to the list of arbitrators. The Employer will have a similar obligation to the Union to be prepared to strike arbitrators or notify the Union of an objection to the list of arbitrators. The matter will be then be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act.

Section 4. Arbitrator's Authority.

- A. 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.
- B. 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 or 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 the submission of briefs by the parties, whichever is 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.
- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that 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 shared equally.

Section 5. Waiver. If a grievance does not comply with any of the procedural requirements in Section 3, it shall be considered "waived." If a grievance is not appealed in

[25983-0001/2544536/1]

conformance with any of the procedural requirements in Section 3 or any agreed waiver of the requirements thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the Employer and the Union at each step. In addition, the Employer and Union may mutually agree to extend the time lines and mediate the grievance following the Step 2 final answer from the Employer prior to appealing the matter to Step 3.

Section 6. Any class action grievance must include the names of all employees affected by the grievance.

Section 7. Choice of Remedy. Employees may use both this grievance procedure and a statutory procedure to the extent that it is required by state or federal law.

Article 11. DISCIPLINE

Section 1. For the purpose of this Article, an employee shall be any regular employee having successfully completed the employee's probationary period.

Section 2. The Employer will discipline employees for just cause only.

Section 3. The parties recognize the principles of progressive discipline. The employer reserves the right to discipline an employee commensurate with the severity of the infraction.

Section 4. Suspensions, demotions, or discharges will be in written form and placed in the employee's personnel file.

Section 5. Written and oral reprimands and notices of suspension shall be read and acknowledged by signature of the Employee, and placed in the employee's personnel file.

Section 6. Grievances relating to a suspension or discharge shall be initiated by the Union at Step 2 of the grievance procedure.

Section 7. Oral reprimands are not subject to the grievance procedure.

[25983-0001/2544536/1]

Article 12. HOLIDAYS

Section 1. The following will be recognized as paid holidays for full time regular employees:

New Year's Day	January 1 st
Martin Luther King Day	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11 th
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Day after Thanksgiving
Christmas Eve	December 24 th
Christmas Day	December 25 th

Section 2. In the event that any of the holidays listed above fall on a Saturday, the Employer will observe the holiday on the prior Friday. In the event that any of the holidays listed above fall on a Sunday, the Employer will observe the holiday on the following Monday. This section will not apply to individuals regularly scheduled to work weekends to the extent that the holiday falls on a regular work day.

Section 3. Regular full-time employees in active status will receive payment for the holiday regardless of whether the holiday is worked. This payment will be based on the number of hours per day (exclusive of overtime) that the employee is scheduled to work during the pay period in question. Employees on a leave of absence (not in active status) other than paid time off on both the day prior to and following the holiday will not receive holiday pay except as required by law. This holiday payment will be considered hours worked for purposes of computing compensatory time.

Section 4. Regular employees required to work on the holidays listed in Section 1 will receive one and a half times their regular pay for all hours actually worked in addition to a floating day off. This holiday must be used before the end of the current calendar year or it will be lost.

[25983-0001/2544536/1]

Article 13. VACATION/SICK LEAVE/ PERSONAL TIME CURRENT EMPLOYEES

Section 1. Current regular full-time employee (Chris Korwes) will continue to earn vacation on a pay period basis in accordance with the schedule below. Vacation will be credited to an employee's balance as earned. Employee shall not accrue sick/vacation or while they are on unpaid status, unless required to by law. Employee must use any accrued vacation/sick leave/personal time prior to going on unpaid status. Employee may maintain up to 40 hours of combined vacation/sick leave/personal time for use when employee returns to paid status. Any unpaid status must be approved by the City Council.

Section 2. Vacation shall accrue according to the following schedule:

<u>Years of Service With City of Pillager:</u>	<u>Vacation:</u>
Over One (1) year of employment with the City	Two (2) Weeks
Over Five (5) years of employment with the City	Three (3) Weeks
Over Ten (10) years of employment with the City	Four (4) Weeks
Over Fifteen (15) years of employment with the City	Five (5) Weeks
Over Twenty (20) years of employment with the City	Six (6) Weeks

- a) Vacation shall not be granted during the probation period. However, if the employee becomes a regular employee, vacation will be computed from the first day of employment with the City.
- b) Vacation may not be granted until it is earned. Balances can be obtained by requesting the information from the Personnel Committee or the City Clerk.
- c) Requests to use more than two (2) days of vacation must be submitted in writing to the Personnel Committee two weeks in advance of the requested time off. This may be waived under certain circumstances. The Personnel Committee will respond, in writing, to the request within two (2) business days of receipt. Vacation is granted on a first come, first serve basis.
- d) Vacation of less than two (2) days does not require two week notice, but is granted by a member of the personnel committee on a first come first serve basis. Some exceptions may be necessary.
- e) For purposes of accumulating additional vacation, an employee using earned vacation is considered to be working.
- f) No vacation may be carried over from one year to the next. Exceptions may be made at the Council's discretion.

[25983-0001/2544536/1]

- g) Vacation may be taken in increments of 4 hours.
- h) The Employer must be notified of all vacation and shall be informed at each regular monthly City Council meeting of all accrued and used vacation, sick days, and personal days. This information shall be compiled and provided by the City Clerk.

Section 3. Sick Leave/Personal Leave. Regular full time employees earn six (6) sick days and six (6) personal days per year. Part-time employees are eligible for these days on a pro-rated basis. Both sick days and personal days may be taken in increments of four (4) hours. Employees will be allowed to carry fifteen (15) sick and fifteen (15) personal days into the following year. Any days over that amount will be lost. These days are intended to be taken when an employee is either sick or needs to make scheduled appointments. If an employee will be using more than three (3) days of sick leave at one time, a note from his/her physician may be required to return to work.

Section 4. Years of service shall mean consecutive employment as a full-time permanent employee.

Section 5. Employees leaving City service in good standing shall be compensated for all vacation and all carried over or unused sick and personal days up to the date of separation.

Section 6. **PTO.** For all regular full-time employees **hired after** January 1, 2019, the following PTO benefits are available:

<u>Years of Service</u>	<u>Pay Period</u>	<u>Accrual Rate Per Year</u>
At Start Date	1.85 hrs	12 days (96 hours)***
January 1st following the anniversary date:		
One (1) – Three (3) years of service	3.08 hrs	20 days (160 hours)
Four (4) – Five (5) years of service	3.38 hrs	22 days (176 hours)
Six (6) – Seven (7) years of service	3.69 hrs	24 days (192 hours)
Eight (8) – Fifteen (15) years of service	4.00 hrs	26 days (208 hours)
Sixteen (16) – Nineteen (19) years of service	4.30 hrs	28 days (224 hours)
Twenty (20) years of service and above	4.62 hrs	30 days (240 hours)

[25983-0001/2544536/1]

*****Total hours earned 1st year varies by hire date.**

- a) PTO is earned in hours per pay period according to the above benefit schedule and may be used in future pay periods, after being earned, in increments of not less than one (1) hour. When the employee's length of service reaches the next higher rate of accrual, the new rate of accrual shall begin on the first date of the pay period following the date of eligibility.
- b) PTO for Regular part-time employees shall accrue at a rate of 75% of the above scale.
- c) PTO may be accrued up to Two Hundred Forty Hours (240). PTO benefits are suspended anytime the accrued benefit exceeds Two Hundred Forty Hours (240) hours.
- d) PTO shall not be granted during the probation period. However, if the employee becomes a regular full-time employee, PTO will be computed from the first day of employment with the city.
- e) PTO shall not be granted until it is earned. Balances can be obtained by requesting information from the City Clerk.
- f) Requests to use more than two days of paid PTO must be submitted in writing to the Personnel Committee two weeks in advance of the requested time off. This may be waived under certain circumstances. The Personnel Committee will respond, in writing, to the request within two (2) business days of receipt. PTO is granted on a first come, first serve basis.
- g) PTO of less than two days does not require two-week notice, but is granted by a member of the personnel committee on a first come first serve basis. Some exceptions may be necessary.
- h) The full City Council must be notified of all PTO and shall be informed at each regular monthly Council meeting of all accrued and used PTO. This shall be provided by the City Clerk.

Section 7. For the purpose of determining an employee's PTO accrual rate, years of service will include all continuous time that the employee has worked at the city (including authorized unpaid leave). PTO accrual will be based on actual start date. Employees who are rehired after terminating city employment will not receive credit for their prior service unless specifically negotiated at the time of hire.

Section 8. After the two hundred forty (240) PTO hours that can be carried over, the City

[25983-0001/2544536/1]

will pay out up to forty (40) unused PTO hours. Any further unused PTO held by the employee will be lost. Any employee who is separated from employment by layoff, resignation, retirement, disability, or death shall be paid for any unused PTO hours accrued to his/her credit. Any employee terminated for cause shall not be entitled to this benefit and shall forfeit all accrued PTO.

Article 14. HOURS OF WORK

Section 1. This Article is intended only to define the normal hours of work and normal scheduling and to provide the basis for the calculation of overtime or other premium pay.

Section 2. Regular work shifts, work breaks, staffing schedules and the assignment of employees thereto shall be established by the Employer.

Section 3. Employees will receive overtime compensation for hours actually worked in excess of forty (40) per week at time and one-half the base rate of pay. The beginning of the week for overtime purposes will be established by the Employer. Employees called to work after hours will be paid a minimum of two hours for each callout. Attending a meeting as a representative of the city during non-work hours does not qualify as a callout. Any callout that lasts two hours or less may not be used to calculate overtime or compensatory time.

Section 4. Overtime or Compensatory Time will not be incurred unless approved by a member of the personnel committee. All approved overtime and the name of the person who approved it will be compiled by the City Clerk and presented at the next regularly scheduled City Council meeting. Any hours of work assigned by the Employer to work on a Saturday or Sunday will be paid at a time and a half, except for the police department when Saturday/Sunday work is part of their regular scheduled shift.

Section 5. Employees shall be required to work overtime or holidays when assigned unless excused by the Employer.

Section 6. Neither the base pay rate specified in Appendix A nor overtime pay shall be paid more than once for the same hours worked under any provision of this agreement.

Section 7. Employees eligible for overtime payments may receive compensatory time off in lieu of the overtime payment at the sole discretion of the Employer. The Employer may require an employee to utilize accrued and unused compensatory time off. In no event may

[25983-0001/2544536/1]

any employee earn in excess of forty (40) hours of accumulated compensatory time off. Any overtime beyond this maximum will be paid.

Article 15. WAGES

Section 1. Employees will be compensated as outlined in Appendix A. Employees will receive an increase for the next year upon obtaining an overall satisfactory rating on their annual performance evaluation.

Any increase will be effective on the beginning of the first full pay period following the first of January, in the year in which an employee is entitled to an increase.

Section 2. Paydays shall be weekly.

Article 16. EQUIPMENT/CLOTHING REIMBURSEMENT

Section 1. Public Works employees will be provided up to \$250 per year, with Council approval, for uniform maintenance.

Section 2. Public Works will be provided \$30 per month for a cell phone plan. Employees will provide the Council their contact information in order to reach them in case of emergency.

Article 17. SENIORITY

Section 1. Seniority shall be defined as the length of continuous service with the Employer from the last date of hire.

Section 2. The Employer shall maintain a seniority list of all employees covered by this Agreement.

Section 3. Seniority shall terminate when an employee is separated from employment.

Section 4. Seniority shall not accrue under the following conditions:

- 1 During a period of layoff;
- 2 During a period of an unpaid leave of absence other than military leave or other

[25983-0001/2544536/1]

- applicable law; or
- 3 During a period in which the employee is on strike.

Section 5. An employee's right to recall to the same job classification shall exist for twelve (12) months after the employee's last date of layoff. Failure to return to work within ten (10) calendar days of notice of recall shall terminate all right to recall. Notice of recall shall be in the form of a registered letter sent to the employee's last address on file with the Employer. It shall be the employee's duty to notify the Employer of any address change. Recall shall be based on the same criteria as layoff and no new employee will be employed to fill a vacant position if an employee is available from the layoff list with the ability to perform the work of the position. Refusal or failure to accept recall for a position within ten (10) days from the date of the notice of recall, for which the employee on layoff is qualified, shall terminate all right to recall.

Article 18. SAVINGS CLAUSE

This agreement is subject to the laws of the United States, the State of Minnesota, and the Employer. In the event any provisions of this agreement shall be held to be contrary to law by a court of competent jurisdiction, a state or federal administrative agency from whose final judgment or decree no appeal has been taken with the time provided, or enacted legislation, such provision shall be voided. All other provisions shall continue in full force and effect.

Article 19. COMPLETE AGREEMENT

Section 1. This Agreement shall represent the complete agreement between the Union and the Employer.

Section 2. Other than City Council approved employment policies, any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment are hereby superseded.

Article 20. MUTUAL CONSENT

This Agreement may be amended any time during its life upon the mutual consent of the employer and the union. Such amendment, to be enforceable, must be in writing and attached to all executed copies of this Agreement.

[25983-0001/2544536/1]

Article 21. DURATION

This agreement shall be in full force and effect from January 1, 2022 through December 31, 2024, and shall be automatically renewed from year to year thereafter unless either party shall notify the other, in writing, by June 1 prior to any subsequent anniversary date, that it desires to modify or terminate this agreement. Additionally, both parties agree that negotiations to renew this agreement will begin by June 1 before this agreement expires.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed on the dates noted below:

FOR: Union

FOR: Employer

George Threasher 12/31/2021
AFSCME Labor Rep

[Signature] 12-31-21
Mayor

Dated:

Dated:

Chris Kowes

Dated: 12-31-21

Dated

Appendix A

2022 Approved Pay Scale

Grade	Step									
	1	2	3	4	5	6	7	8	9	10
1	\$13.36	\$13.81	\$14.25	\$14.70	\$15.15	\$15.59	\$16.03	\$16.48	\$16.92	\$17.37
2	\$14.70	\$15.19	\$15.68	\$16.17	\$16.66	\$17.15	\$17.64	\$18.13	\$18.62	\$19.10
3	\$16.17	\$16.71	\$17.25	\$17.79	\$18.32	\$18.86	\$19.40	\$19.94	\$20.48	\$21.02
4	\$17.46	\$18.04	\$18.63	\$19.21	\$19.79	\$20.37	\$20.95	\$21.53	\$22.11	\$22.70
5	\$18.86	\$19.48	\$20.11	\$20.75	\$21.37	\$22.00	\$22.63	\$23.26	\$23.89	\$24.52
6	\$19.61	\$20.27	\$20.92	\$21.57	\$22.23	\$22.88	\$23.53	\$24.18	\$24.85	\$25.50
7	\$20.40	\$21.07	\$21.76	\$22.44	\$22.89	\$23.80	\$24.48	\$25.15	\$25.84	\$26.52
8	\$21.22	\$21.92	\$22.62	\$23.34	\$24.04	\$24.75	\$25.46	\$26.16	\$26.87	\$27.58
9	\$22.06	\$22.80	\$23.53	\$24.27	\$25.00	\$25.73	\$26.21	\$27.21	\$27.95	\$28.68
10	\$23.39	\$24.16	\$24.95	\$25.72	\$26.50	\$27.29	\$28.06	\$28.85	\$29.62	\$30.40
11	\$24.79	\$25.61	\$26.44	\$27.00	\$28.09	\$28.92	\$29.74	\$30.57	\$31.40	\$32.22

2023 Approved Pay Scale

Grade	Step									
	1	2	3	4	5	6	7	8	9	10
1	\$13.50	\$13.95	\$14.39	\$14.85	\$15.30	\$15.74	\$16.19	\$16.65	\$17.09	\$17.54
2	\$14.85	\$15.34	\$15.83	\$16.33	\$16.82	\$17.32	\$17.81	\$18.31	\$18.80	\$19.30
3	\$16.33	\$16.87	\$17.42	\$17.97	\$18.50	\$19.05	\$19.59	\$20.14	\$20.69	\$21.23
4	\$17.64	\$18.22	\$18.81	\$19.40	\$19.99	\$20.57	\$21.16	\$21.75	\$22.33	\$22.92
5	\$19.05	\$19.68	\$20.32	\$20.95	\$21.58	\$22.22	\$22.86	\$23.49	\$24.13	\$24.77
6	\$19.81	\$20.47	\$21.13	\$21.79	\$22.45	\$23.11	\$23.77	\$24.43	\$25.10	\$25.76
7	\$20.60	\$21.28	\$21.97	\$22.66	\$23.12	\$24.03	\$24.72	\$25.40	\$26.09	\$26.79
8	\$21.43	\$22.14	\$22.85	\$23.57	\$24.28	\$24.99	\$25.71	\$26.42	\$27.14	\$27.86
9	\$22.28	\$23.02	\$23.77	\$24.51	\$25.25	\$25.99	\$26.47	\$27.49	\$28.23	\$28.97
10	\$23.62	\$24.41	\$25.20	\$25.98	\$26.76	\$27.56	\$28.34	\$29.13	\$29.92	\$30.70
11	\$25.03	\$25.87	\$26.70	\$27.27	\$28.37	\$29.21	\$30.04	\$30.88	\$31.71	\$32.54

[25983-0001/2544536/1]

2024 Approved Pay Scale

Grade	Step									
	1	2	3	4	5	6	7	8	9	10
1	\$13.63	\$14.09	\$14.54	\$14.99	\$15.45	\$15.90	\$16.36	\$16.81	\$17.26	\$17.72
2	\$14.99	\$15.49	\$15.99	\$16.49	\$16.99	\$17.49	\$17.99	\$18.49	\$18.99	\$19.49
3	\$16.49	\$17.04	\$17.59	\$18.15	\$18.69	\$19.24	\$19.79	\$20.34	\$20.89	\$21.44
4	\$17.81	\$18.41	\$19.00	\$19.59	\$20.19	\$20.78	\$21.37	\$21.96	\$22.56	\$23.15
5	\$19.24	\$19.87	\$20.52	\$21.16	\$21.80	\$22.44	\$23.09	\$23.72	\$24.37	\$25.01
6	\$20.01	\$20.67	\$21.34	\$22.01	\$22.67	\$23.34	\$24.00	\$24.67	\$25.35	\$26.01
7	\$20.81	\$21.50	\$22.19	\$22.89	\$23.55	\$24.27	\$24.97	\$25.66	\$26.36	\$27.05
8	\$21.64	\$22.36	\$23.08	\$23.81	\$24.52	\$25.24	\$25.97	\$26.69	\$27.41	\$28.14
9	\$22.51	\$23.26	\$24.00	\$24.75	\$25.50	\$26.25	\$26.74	\$27.76	\$28.51	\$29.26
10	\$23.86	\$24.65	\$25.45	\$26.24	\$27.03	\$27.83	\$28.62	\$29.43	\$30.22	\$31.01
11	\$25.28	\$26.13	\$26.97	\$27.54	\$28.66	\$29.50	\$30.34	\$31.18	\$32.03	\$32.87

	Grade	2022 Step	2023 Step	2024 Step
Thomas Lee	7	7	8	9
Chris Korwes	9	8	9	10
Jan Loftis	11	5	6	7

	2022	2023	2024
Thomas Lee	\$24.48	\$25.40	\$26.36
Chris Korwes	\$27.21	\$28.23	\$29.26
Jan Loftis	\$28.09	\$29.21	\$30.34

[25983-0001/2544536/1]

M.E0MO.0R0..0A.NDUM OF UNDERSTANDING

WHEREAS, the City of Pillager (referred to herein as the Employer) and the American Federation of State, County and Municipal Employees, Minnesota Council No. 65, Local Union No. 3628, AFL-CIO (the Union) is the Exclusive representative for certain City employees; and,

WHEREAS, the Employer has hired a new City Clerk/Treasurer, Lori Blumke; and,

WHEREAS, the Employer is willing to allow the new hire a period of time that allows her to attend educational training, pass certification testing, and become a Certified City Clerk; and

WHEREAS, the current 2022 – 2024 Labor Agreement includes a step-scale wage schedule for all new hires and current employees; and,

WHEREAS, the Employer desires to offer a starting wage below Step 1 and the new hire is willing to accept;

NOW, THEREFORE, the Employer and the Union have mutually agreed to provide Lori Blumke a starting wage of \$24.00 per hour effective January 1, 2022; and,

NOW, THEREFORE, effective January 1, 2023 Lori Blumke will be placed on Step 1/Grade 11 with a payrate of \$25.03; and, effective January 1, 2024 she will be placed on Step 2/Grade 11 with a payrate of \$26.13. Effective January 1, 2025, provided she has passed the required test and earned the title of Certified City Clerk, she will be placed on Step 4/Grade 11 (2025 wage rate).

NOW, THEREFORE, the Employer and the Union agree to recognize the current Labor Agreement regarding all terms and conditions of employment; and,

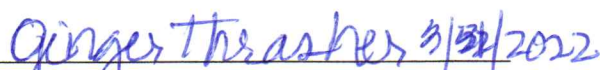
NOW, THEREFORE, the Employer and the Union have caused this Letter of Agreement to be executed by their duly authorized representatives whose signatures appear below.

CITY of PILLAGER

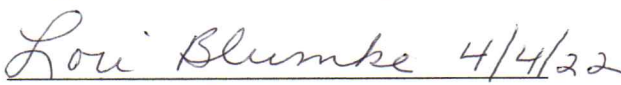


Mayor

AMERICAN FEDERATION OF
STATE, COUNTY and MUNICIPAL
EMPLOYEES MINNESOTA
COUNCIL NO. 65, LOCAL UNION
2022, AFL-CIO



Ginger Thrasher, Labor Representative



Lori Blumke, Employee