

**AGREEMENT**

BETWEEN

**THE CITY OF KEEWATIN, MINNESOTA**

AND

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

**LOCAL UNION NO. 81**

**JULY 1, 2015 - JUNE 30, 2018**

**PUBLIC WORKS – STREET DEPARTMENT UNIT**

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## AGREEMENT

This Agreement, dated the first day of July, 2015, entered into between the City of Keewatin, hereinafter referred to as the EMPLOYER, and Local 81 of the American Federation of State, County and Municipal Employees, affiliated with the American Federation of Labor and Congress of Industrial Organization, hereinafter referred to as the UNION.

### ARTICLE I PURPOSE OF AGREEMENT

#### Section A.

It is the intent and purpose of the parties hereto to set forth herein the basic agreement covering rates of pay, hours of work, and all other conditions of employment to be observed between the parties hereto.

#### Section B.

The provisions of this Agreement constitute the sole procedure for the processing and settlement of any claim by an employee or the Union of a violation by the Employer of this Agreement. As the representative of the employees, the Union may process grievances through the grievance procedure including arbitration in accordance with this Agreement or adjust or settle the same.

### ARTICLE II DEFINITION OF REGULAR EMPLOYEE

#### Section A.

The term "regular full-time employee", as used in this Agreement, shall mean any employee who has been employed by the City of Keewatin or appointed to work for the City of Keewatin by an authorized supervisor or department head and who works regularly full-time an average of twenty-four (24) hours per week or more and who works more than sixty-seven (67) work days in a calendar year.

#### Section B.

The term "regular part-time" employee, as used in this Agreement, shall mean any employee who has been employed by the City of Keewatin or appointed to work for the City of Keewatin by an authorized supervisor or the City Council, and who regularly works part-time an average of fourteen (14) hours per week or more and who works more than sixty-seven (67) work days in a calendar year.

**ARTICLE III**  
**RESPONSIBILITIES OF PARTIES**

**Section A.**

Each of the parties of this Agreement hereby acknowledges the rights and responsibilities of the other parties and agrees to discharge its responsibilities under this Agreement.

**Section B.**

The Employer, including its managerial, supervisory and representatives at all levels, is firmly bound to observe the conditions of this Agreement.

**Section C.**

The Union, including its officers and representatives, and all employees are firmly bound to observe the conditions of this Agreement.

**Section D.**

In addition to the responsibilities that may be provided elsewhere in this Agreement, the following shall be observed:

1. The applicable procedures of this Agreement will be followed for the settlement of all grievances. All grievances shall be considered carefully and processed promptly in accordance with such procedures.
2. There shall be no interference with the rights of employees to become or continue as members of the Union.

**ARTICLE IV**  
**RECOGNITION**

**Section A.**

The Employer recognizes Local Union No. 81, American Federation of State, County and Municipal Employees, or known as AFSCME, AFL-CIO, Local No. 81, as the exclusive representative for collective bargaining purposes for all employees of the City of Keewatin, Minnesota, excluding elected officials and officials appointed by the Employer to serve on Commissions or Boards, and Librarians. No discrimination shall be exercised against any employee because of Union membership or because of race, creed, sex, color, religious or political belief.

Section B.

The Employer shall not enter into any agreement with the employees coming under the jurisdiction of this Agreement, either individually or collectively, which in any way conflicts with the terms of this Agreement.

**ARTICLE V**  
**CHECKOFF OF UNION DUES**

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 81, which are Union dues or initiation fees of the Union, such deductions to be made from the payroll period ending the first half of each month, and transmit to the Financial Secretary of Local 81 the total amount so deducted, together with a list of the names of the employees from whose pay deductions were made. An employee may terminate his payroll deductions by written notice delivered to the City Clerk, who shall forthwith transmit a copy of such termination to the Financial Secretary of Local 81.

**ARTICLE VI**  
**HOURS OF WORK**

Section A.

The basic workday for "regular full time" employees shall consist of eight (8) hours per day and the average workweek shall consist of forty (40) hours per week for all departments. All hours worked in excess of eight (8) hours per day or an average of forty (40) hours per week shall be compensated for at time and one-half (1-1/2) the regular rate of pay.

Regular part-time employees may be scheduled up to eight (8) hours per day or less, but shall not be scheduled a split shift unless the employee agrees to such an arrangement.

Each employee shall be allowed to accumulate one hundred (100) hours straight time or 66.67 hours of compensatory time per year at time and one-half (1-1/2). At the end of each calendar year, an employee may be allowed to carry over twenty (20) hours at time and one-half (1-1/2), any balance to be paid on the next regular pay day. The Public Works Supervisor will be responsible for monitoring the use of comp time off to limit the amount of overtime created by employee's use of comp time. The City Council may also monitor the use of comp time for abuse and address the issue with the Public Works Supervisor.

Section B.

If the needs of service permit, all employees shall receive two fifteen-minute rest breaks in each eight-hour shift, at times designated by their immediate supervisor, except that all employees working straight eight-hour shifts will not exceed thirty (30) minutes for lunch and coffee breaks.

Section C.

The Employer agrees that split shift work will not be scheduled for employees of any department.

Section D. Shift Differential

There shall be a shift differential of \$.40 per hour for afternoon shift and \$.50 per hour for the midnight shift for all departments. Whenever an employee is scheduled or called to work away from regular shifts, they shall receive the appropriate shift differential for the hours worked between 3:00 p.m. and 7:00 a.m.

Section E. Overtime

For general purpose overtime (i.e., snowplowing, special events, etc.), overtime shall be offered by bargaining unit seniority, most senior employee first for each occurrence, through the list of qualified and properly licensed employees. For overtime within a specific work classification (i.e., electrical, etc.), overtime shall be offered by seniority on a rotating basis. Most senior employee within the classification first, next senior second, with the objective being equal overtime opportunities within the classification over a twelve month calendar period. If there is ever a discrepancy over the definition of overtime, it shall be offered by bargaining unit seniority.

**ARTICLE VII**  
**SENIORITY**

Section A.

Seniority standing shall be granted to all bargaining unit employees. Bargaining unit seniority is to be determined on the basis of hours of service (not including overtime hours) in a bargaining unit position with the City of Keewatin. All new employees shall be on probation for a period of one (1) year or a total of 2080 hours (not including overtime hours). Upon successful completion of the probation period, the employee's seniority date shall revert to their first day of employment with the City in a bargaining unit position. All such employees shall retain permanent status. During the period

of probationary employment, probationary employees may be laid off or discharged as exclusively determined by the Employer, provided that this provision will not be used for the purpose of discrimination because of membership in the Union, race, creed, sex, color, disability, religious or political belief.

Section B.

An employee shall lose his/her seniority standing if:

1. He/she voluntarily resigns from employment
2. He/she is discharged for cause
3. He/she fails to report for work after layoff within fifteen (15) days after receipt of notice by registered mail. The Employer shall send this notice to return to work to the employee at his/her last-known address.

Section C.

In the event of a layoff in any category of work, employees shall be laid off according to seniority in the inverse order of hiring.

Section D.

Employees shall be rehired according to seniority in the inverse order of layoffs.

Section E.

In cases of transfer from one classification of work to another, employees involved in the transfer shall not lose seniority standing.

Section F.

In cases of reduction in force or the elimination of a position, a senior employee may exert his/her seniority preference over a junior employee in any classification of work, provided he/she has the necessary qualifications to perform the duties of the job involved.

Section G.

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

Section H.

No employee shall be temporarily or permanently transferred to fill a vacancy without the consent of the employee.

Section I.

Notice of all vacancies and newly-created positions shall be posted on employees bulletin boards, and the employees 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 he/she has the necessary qualifications to perform the duties of the job involved. A thirty-day trial period shall be given the employee for the purpose of determining his/her qualifications unless he/she is obviously not qualified. The Employer shall make the determination as to whether or not the applicant possesses the necessary qualifications. In the event the Union does not concur in the determination, the applicant shall have the right to appeal through the normal grievance procedure. In the event the Employer and 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 and shall not be denied the right to make application for any other posting.

Section J.

The seniority of an employee shall not be terminated or broken because of absence due to illness or temporary layoff.

Section K.

The seniority of an employee who has been granted a leave of absence shall be frozen on the date the leave of absence becomes effective. The Employer has the exclusive right to determine length of leave of absence.

Section L.

The seniority list shall be brought up to date during January 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.

Section M.

Casual laborers will be limited to fifty-nine (59) working days per calendar year.



**ARTICLE VIII**  
**GRIEVANCE PROCEDURE**

Section A.

The Employer and the Union shall attempt to adjust all grievances which may arise by virtue of this Agreement or otherwise in the following manner:

1. An effort shall be made to adjust the grievance between the employees and/or a grievance committee and the immediate supervisor.
2. In the event no settlement is thereby reached, the Employer shall, upon written request of the Union, grant a formal hearing on the grievance, provided written notice be given to the Employer within fifteen (15) days following the answer given in Article VIII, Section A (1)
3. In the event no settlement is thereby reached, it shall be compulsory to the parties of this Agreement to submit the grievance to arbitration, and the decision or award made in arbitration shall be final and binding on both parties.
4. Duly authorized representatives of the Union shall have the right to accompany the Union Grievance Committee in the discussion or adjustment of Union grievances.

Section B. Method and Procedure in the Selection of an Arbitrator

Should the grievance go to Step 3, the parties hereto agree that within ten (10) days after Step 2, either of the parties shall have the right to submit to the Director of Mediation a request for five names for the purpose of having the parties select one of the five names as the arbitrator. The method in choosing shall be for each of the parties hereto to eliminate one name at a time until one name remains. The remaining name shall be the arbitrator. It is hereby agreed that the cost and expense of the arbitrator shall be shared equally by the parties of this Agreement. First strike shall be determined by a flip of the coin.

**ARTICLE IX**  
**TRANSFERS, DEMOTIONS, SUSPENSIONS AND DISCHARGES**

Section A. Transfers and Demotions

Demotions or transfers to a lower classification shall be made only for just cause. The Union Grievance Committee Chairman and the employee affected shall receive prior notice, in writing, of any such action. If the Union feels the action was taken without just cause, the employee shall have the right to appeal through the normal grievance procedure. In the case where a demotion or transfer has been proved unjustified and the employee returned to his/her former status, the loss of pay involved shall be restored.

Section B. Suspensions

Any employee may be temporarily suspended for just cause. The employee shall be notified of the reasons for his/her suspension in writing at the time thereof. If the employee feels he/she has been suspended without just cause, or that the period of the suspension is unwarranted, the employee shall have the right of appeal by invoking the normal grievance procedure within five (5) days of the date of suspension. If it is determined that the suspension was made without just cause, the employee shall be reinstated immediately and shall receive full pay for any time lost as a result of the suspension.

Section C. Discharges

Discharge shall be made only for just cause. An action to discharge an employee shall be taken by the Employer only after a hearing following due notice of written charges. The statement of charges and the notice of hearing shall be filed with the employee and the Union at least ten (10) days in advance of the hearing. Either party may request recording of such hearing to be recorded by court reporter or tape recording for which the costs shall be divided between the parties at fifty-fifty. The employee and the Union shall have the right to present witnesses, introduce evidence, and to examine witnesses and evidence presented against him/her.

During the pendency of such proceedings, the employee's pay shall be suspended, but his/her name shall remain on the payroll. In case he/she is reinstated after the hearing, he/she may be paid the amount withheld during the period of suspension less whatever amount the Employer may decide to withhold as a disciplinary measure.

Section D. Layoffs

In the event a general layoff is contemplated, the Employer agrees to call in the Union Grievance Committee and to discuss the problem with them before any action is taken.

**ARTICLE X**  
**GENERAL PROVISIONS**

Section A.

The Employer agrees to permit the Negotiating or Grievance Committee to appear at all negotiations or grievance meetings with department heads or the Employer in negotiations or disputes without the loss of pay.

Section B.

There shall be no replacement of regularly employed employees by relief workers or any recipients of Public Assistance, nor shall relief workers be placed in any classified positions.

Section C.

Representatives of the AFSCME, AFL-CIO, shall have access to the premises of the City of Keewatin at reasonable times to investigate grievances and other problems with which they are concerned.

Section D.

The Employer will erect and maintain bulletin boards of reasonable size, which bulletin boards shall be for the use of the Union to post any notices or documents relating to Union affairs.

Section E.

All matters not covered by this Agreement shall be settled by negotiations between the Employer and the Union.

Section F.

The management of the City of Keewatin and the direction of the working forces, the management of the said department, including the hiring, promoting and retiring of employees, the suspending, discharging or otherwise disciplining of employees in connection with reduction or increase in the working forces, the scheduling of work and the control and regulation of the use of all equipment and other property of the City are the exclusive functions of the Employer; provided, however, that in the exercise of such functions, the Employer shall not alter any of the provisions of this Agreement.

Section G.

When a termination notice has been presented to the Employer, the Employer shall immediately post notice of a vacancy.

Section H.

The Union shall notify, by certified letter, the Employer of the names and addresses of the elected officers and grievance committeemen following the annual election of the Local Union.

Section I.

Whenever an employee of the Employer is selected as a jurist or is served a subpoena as a result of employment with the City, such employee shall be compensated the difference in such daily wage by the Employer not to exceed a maximum day's wages, including the compensation received by him/her while serving for the above reasons. Any reimbursements for mileage, meals or lodging received by such employee shall not be considered any part of the daily wage.

Section J.

Any article, clause or statement herein contained that in any way violates the laws of the State of Minnesota shall be disregarded, and the laws of the State of Minnesota and opinions of the Supreme Court, Attorney General, policies and rules and regulations of the State Department that are applicable hereto shall apply and become binding on both parties.

Section K.

The City shall provide for replacement of personal apparel items damaged while performing service for the City of Keewatin. Work boots shall be reimbursed each year at the maximum amount of \$200.00. Employees on LTD, approved leaves of absence, workers compensation leave, are not entitled to any reimbursement during period of leave.

Section L.

On the effective date of this Agreement and each three (3) months thereafter, the Employer shall post on employees bulletin boards from the Employer's record the number of days each employee has accumulated sick leave and the number of days he/she has earned and used during that period.

Section M.

Employees shall be granted three (3) personal leave days annually. The personal leave days are non-accumulative.

**ARTICLE XI**  
**SICK LEAVE**

Section A.

All regular full-time employees shall earn sick leave at the rate of one and one-half (1-1/2) working days for each month of service, accumulative to one hundred sixty (160) working days. Any employee who accumulates the maximum 160 days of sick leave shall then accumulate one-half (1/2) day for each month that the employee maintains 160 days of accumulated sick leave. On the last pay period of each year, the employee shall be reimbursed at their current hourly rate for each half (1/2) day they have accumulated. A maximum of six (6) days may be accumulated and paid for each year.

Regular part-time employees will not accrue any sick leave.

Sick leave shall be granted to an employee for illness, injury or pregnancy related conditions of the employee, and care for a sick child, in accordance with the MN Sick or Injured Child Care Leave Law. Sick leave may be used for medical or dental appointments when such appointments cannot be scheduled on a day off. The Employer retains the right to request a medical release if an absence is for three (3) consecutive days or more.

Section B.

If an employee misses three (3) consecutive scheduled days of work due to an illness or injury the Employer requires the employee to provide a statement from said employee's attending physician to confirm the medical condition and receive sick leave pay.

Section B-1. Verification of Illness or Injury Release

A return to work release may be required prior to returning to duty after illness or injury. The release shall state that the employee may return to his/her position without limitations or shall identify existing limitations. Employees found to have abused sick leave shall be subject to disciplinary action.

Section C.

The Employer and the Union agree to comply with the following Workmen's Compensation regulations: It is agreed that if an employee of the City of Keewatin shall receive a compensable injury and have accrued benefits under either sick leave or vacation plans, the Employer shall pay the difference between the compensation received by the employee and his/her regular monthly pay rate, same to be deducted from said accrued vacation or sick leave benefits; the Employer will provide for the payments described in this Section

during the period of disability. It is understood that the additional payments made to the employee over and above that paid by Workmen's Compensation shall not exceed the amount of credits which an employee is entitled to from such accrued vacation or sick leave benefits.

#### Section C-1: Leave Without Pay

An employee shall not accrue sick leave, COLA or longevity while in a leave without pay status.

#### Section D.

All employees who have reached a retirement age acceptable to PERA or who have attained the age of 55 and have at least twenty (20) years of service with the City shall be entitled to early retirement medical benefits as follows:

1. The City shall provide a fully paid single premium for hospital/medical and dental benefits equal to the plan provided to the active employees until age 65. The employee may elect to purchase dependent benefit coverage's but will be responsible for any cost above the single premium benefit provided by the City.
2. Severance from any accumulated sick leave to a maximum of 70 days severance pay.
3. At age 65, the employee shall be provided with a single benefit supplemental policy, paid for by the City. The employee must enroll for Medicaid/Medicare benefits by their 65th birthday. The benefits shall be the same as those provided to the active employees. The employee may elect to purchase dependent benefit coverage, but will be required to pay the cost of said dependent benefits above and beyond the City's cost of the supplemental single plan benefit.

The Employer has the option of utilizing the remaining accumulated sick leave towards payment of the medical/dental premiums until said fund is exhausted. The aforementioned coverage shall continue for the employee's/retiree's spouse and minor children in the case of employee's/retiree's death, until the employee's/retiree's accumulated sick leave is exhausted.

#### Section D-1.

Susan Thronson is grandfathered in Section D. She would need fifteen years of service and attained the age of 55.

**ARTICLE XII**  
**DEATH IN THE FAMILY**

Three (3) days absence without the loss of pay shall -be allowed an employee in the case of death in the immediate family. Immediate family shall be defined as a brother, sister, son, daughter, father, mother, wife or husband, and grandchildren or grandparents of either the employee or their spouse. Two additional days shall be allowed in the event a minimum of 200 miles of travel is necessary to attend the funeral.

**ARTICLE XIII**  
**HOLIDAYS**

Section A.

All regular full-time and regular part-time employees shall receive the following paid holidays:

|                |                  |                           |
|----------------|------------------|---------------------------|
| New Year's Day | Fourth of July   | Friday after Thanksgiving |
| Presidents Day | Labor Day        | Christmas Day             |
| Good Friday    | Thanksgiving Day | Day after Christmas       |
| Memorial Day   | Veterans Day     | Employee's Birthday*      |

Section B.

All regular full-time and/or part-time employees who are required to work on any of the above mentioned holidays shall be compensated at one and one-half (1-1/2) times their rate of pay for their work that day in addition to their regular holiday pay.

Section C.

The birthday of an employee is to be included as a holiday off with pay and shall be taken on the employee's actual birthday except when it falls on a Saturday or Sunday, at which time it shall be taken on either Friday or Monday, respectively.

**ARTICLE XIV**

## VACATIONS

### Section A.

All full-time employees shall receive paid vacation as follows:

| <u>Weeks of Vacation</u> | <u>Years of Service</u> |
|--------------------------|-------------------------|
| One after                | One                     |
| Two "                    | Two                     |
| Three "                  | Five                    |
| Four "                   | Ten                     |
| Five "                   | Fifteen                 |
| Six "                    | Twenty                  |
| Seven "                  | Twenty-five             |
| Eight "                  | Thirty                  |

Regular employees working less than full-time shall receive vacation benefits on a pro rata basis.

Employees hired after November 1, 2002, shall be limited to a maximum of six (6) weeks vacation accrual, regardless of years of service.

### Section B.

In determining vacation periods, the wishes of the employees shall be respected as to the time of taking vacation insofar as the needs of the service will permit, it being 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.

### Section C.

The vacation period of any employee shall not be split, unless by mutual agreement of the Employer and the employee.

### Section D.

Upon termination of employment, after having given six (6) weeks notice or by Employer request, employees shall be paid for any accumulated vacation credit. Accumulated vacation shall mean vacation earned by such employee according to years of service, times that portion of the year worked at the time of termination of the employee.

### Section E.

Vacation time shall not accumulate from one year to another, unless other arrangements are mutually agreed upon by the Employer, the employee, and the Union.



Section F.

All department's vacation pay shall be based on a regular five, (5) day work week.

**ARTICLE XV**  
**COST OF LIVING**

Effective January 1, 2006, cost of living adjustments shall be made on the following basis: For each point of increase in the C.P.I. (U.S. Cities Urban Wage Earners and Clerical Workers), a \$.040 per hour adjustment shall be made, and the starting point shall be November, 2005 all items figure, Urban Wage Earners and Clerical Workers. The adjustment for the first payment shall be made to the March of 2006 figure on the above formula. Further adjustments shall then be made in March, June and September, 2006, from the previous quarter's figure.

Effective January 1, 2007, cost of living adjustments shall be made on the following basis: For each point of increase in the C.P.I. (U.S. Cities Urban Wage Earners and Clerical Workers), a \$.040 per hour adjustment shall be made, and the starting point shall be November, 2006, all items figure, Urban Wage Earners and Clerical Workers. The adjustment for the first payment shall be made to the March of 2007 figure on the above formula. Further adjustments shall then be made in March, June and September, 2007, from the previous quarter's figure.

Effective January 1, 2008, cost of living adjustments shall be made on the following basis: For each point of increase in the C.P.I. (U.S. Cities Urban Wage Earners and Clerical Workers), a \$.040 per hour adjustment shall be made, and the starting point shall be November, 2007, all items figure, Urban Wage Earners and Clerical Workers. The adjustment for the first payment shall be made to the March of 2007 figure on the above formula. Further adjustments shall then be made in March, June and September, 2007, from the previous quarter's figure.

**ARTICLE XVI**


**DURATION OF AGREEMENT**

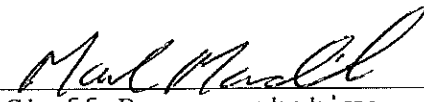
Except as otherwise provided, this Agreement shall continue in full force and effect until June 30, 2018. Either of the parties shall be required to submit written notice at least sixty (60) days prior to the termination of the agreement for the purpose of negotiating a new agreement. If settlement on a new agreement cannot be reached within the provided sixty (60) days, the present agreement shall remain in effect until a new settlement has been reached.

IN WITNESS WHEREOF, the parties hereto set their hands and seals on the date last below written:

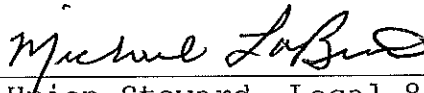
KEEWATIN CITY COUNCIL  
KEEWATIN, MINNESOTA

LOCAL 81, AMERICAN FEDERATION OF STATE  
COUNTY & MUNICIPAL EMPLOYEES, ALF-CIO  
MINNESOTA COUNCIL 65

By   
Mayor

By   
Staff Representative

By   
City Clerk

By   
Union Steward, Local 81

By \_\_\_\_\_  
Witness

By \_\_\_\_\_  
Witness

6-22-15  
Signature Date

APPENDIX "A"

|                                    |    | <u>Start</u> | <u>6 Mos</u> | <u>1 Yr</u> | <u>2 Yr</u> | <u>3 Yr</u> | <u>4 Yr</u> | <u>6 Yr</u> |
|------------------------------------|----|--------------|--------------|-------------|-------------|-------------|-------------|-------------|
| Deputy Clerk/Janitor               |    |              |              |             |             |             |             |             |
| 7/1/15                             | 3% | 18.01        | 19.85        | 21.81       | 22.70       | 23.74       | 24.59       | 25.94       |
| 7/1/16                             | 2% | 18.37        | 20.25        | 22.25       | 23.15       | 24.21       | 25.08       | 26.46       |
| 7/1/17                             | 1% | 18.55        | 20.45        | 22.47       | 23.38       | 24.45       | 25.33       | 26.72       |
| Public Utilities Clerk             |    |              |              |             |             |             |             |             |
| 7/1/15                             | 3% | 18.01        | 19.85        | 21.81       | 22.70       | 23.74       | 24.59       | 25.94       |
| 7/1/16                             | 1% | 18.37        | 20.25        | 22.25       | 23.15       | 24.21       | 25.08       | 26.46       |
| 7/1/17                             | 1% | 18.55        | 20.45        | 22.47       | 23.38       | 24.45       | 25.33       | 26.72       |
| Electrician/Water Service Clerk    |    |              |              |             |             |             |             |             |
| 7/1/15                             | 3% | 19.72        | 21.57        | 22.54       | 23.92       | 24.85       | 25.37       | 26.75       |
| 7/1/16                             | 2% | 20.11        | 22.00        | 22.99       | 24.40       | 25.35       | 25.88       | 27.28       |
| 7/1/17                             | 1% | 20.31        | 22.22        | 23.22       | 24.64       | 25.60       | 26.14       | 27.55       |
| General Maintenance/Equip Operator |    |              |              |             |             |             |             |             |
| 7/1/15                             | 3% | 19.72        | 21.57        | 22.54       | 23.92       | 24.85       | 25.37       | 26.75       |
| 7/1/16                             | 2% | 20.11        | 22.00        | 22.99       | 24.40       | 25.35       | 25.88       | 27.28       |
| 7/1/17                             | 1% | 20.31        | 22.22        | 23.22       | 24.64       | 25.60       | 26.14       | 27.55       |
| General Supervisor                 |    |              |              |             |             |             |             |             |
| 7/1/15                             | 3% | 21.60        | 23.45        | 24.41       | 25.80       | 26.28       | 26.75       | 28.31       |
| 7/1/16                             | 2% | 22.03        | 23.92        | 24.90       | 26.32       | 26.81       | 27.29       | 28.88       |
| 7/1/17                             | 1% | 22.25        | 24.16        | 25.15       | 26.58       | 27.08       | 27.56       | 29.17       |

\*\*Any employee assigned to fill in for the General Supervisor, in his absence, shall be paid at the rate of pay for the position of General Supervisor.

Section A. Salary Schedule:

Section B.

Employees shall receive monthly longevity increments of:

|                           |           |           |
|---------------------------|-----------|-----------|
| After 10 years of service | - \$47.50 | per month |
| After 15 years of service | - \$60.00 | per month |
| After 20 years of service | - \$72.50 | per month |
| After 25 years of service | - \$87.50 | per month |
| After 30 years of service | - \$95.00 | per month |

Employees who possess licenses that are required by the State of Minnesota or the City of Keewatin in order to perform duties of the City of Keewatin, shall receive \$15.00 per month, per license. This section does not pertain to any type of driver's licenses.

Section U. Seniority List:

| Employee        | Date of Employment |
|-----------------|--------------------|
| Michael LaBine  | October, 1984      |
| Calvin Durant   | December 1, 1989   |
| Perry Kingsbury | April 15, 2001     |
| Susan Thronson  | January 1, 2003    |
| Chris Koprivec  | June 21, 2011      |

Note of Information:

Calculations for conversion of monthly salary to hourly rates were computed as follows:

$$\frac{\text{Monthly salary} \times 12 \text{ months}}{2,080 \text{ hours}} = \text{Hourly Rate}$$

\* The rate of pay for the fill-in public utility clerk will remain at the first step of the pay scale.

APPENDIX "B"  
ACTIVE EMPLOYEES GROUP INSURANCE BENEFITS

Section A.

(1) The Employer will provide and pay the entire premium for the present group life insurance in the amount of \$5,000.00 for each eligible employee under sixty-five (65) years of age. Said insurance includes a double indemnity clause for accidental death and dismemberment clause. Active employees 65 years of age and over and employees under the age of 65 who apply for early retirement and receive pension annuities shall be entitled to the \$1,500.00 of coverage with no premium applicable to the Employer or the employee.

(2) Active employees under the age of 65 may elect to purchase Additional insurance coverage in \$5,000 blocks providing that fifty-one percent (51%) of each group applies for the additional insurance coverage. The optional coverage shall terminate on the date of retirement.

Section B.

Effective July 1, 2006, the Employer will provide and pay 90% of the premium for both single and family contracts for regular full-time employees the hospital and medical plans and the employee shall pay 10% of the premium for both single and family contracts for regular full-time employees at the current level of benefits listed below. (See attachment)

- (1) Blue Cross/Blue Shield - Pro Care Pool  
Small Group Benefit Plan or an equivalent plan with the Same benefits

\*\*\*Regular part-time employees who work less than twelve hundred (1200) hours per calendar year would not be eligible for any contribution from the City towards hospital/medical insurance benefits. Once a regular part-time employee surpasses the 1200 hour threshold, the City will contribute a prorata amount for the following calendar year based on the calculation of hours of work divided by 2080 times the monthly single premium amount.

EXAMPLE: Employee A works 1250 hours in 2003.  $1250/2080 = 60\%$  of a full time equivalent. Single premium is \$500 p/mo.  $\$500 \times .60 = \$300.00$ . The City of Keewatin would pay \$300 per month towards a single policy for the part-time employee during the calendar year of 2004. A new calculation would be done at the end of each calendar year to determine if the employee had worked the required 1200 hours to be eligible and what the new pro-rata contribution would be.

Section C.

Life insurance, hospital and medical coverage shall be provided by the Employer during sick leave and vacation. The Employer agrees to pay the entire premium cost on group life insurance, hospitalization, and medical coverage for all employees who perform work during any month or are on paid sick leave, vacation, or who are unable to work due to a compensable injury.

Section D.

Effective March 1, 2000, all regular full-time employees covered by this contract shall be entitled to a Dental Insurance Plan, and the premium for said plan shall be paid for by the City. Said plan shall provide for an annual benefit of \$2,000.00 per person.

Section E.

All employees shall receive reimbursement of up to a maximum of \$200.00 for safety eye wear once in any two (2) year period.

Section F. Long Term Disability

The Employer shall provide a policy for all regular full-time employees to provide long term disability protection. Said policy shall provide up to 66-2/3% of the employee's monthly gross income, commencing 90 days after any extended illness or injury (non-Workmen's Comp) until age 65. Employees shall be required to apply for Social Security and PERA disability benefits when eligible. During the first two (2) years of any disability, the Employer shall continue to provide hospital/medical and dental benefits as when the employee was working. After the two (2) year period, the Employer shall provide a single policy benefit for hospital/medical and dental insurance coverage. Said policy is mandatory for all eligible employees and each employee shall contribute 10% of the monthly premium. Regular part-time employees must meet the carrier eligibility guidelines to receive this benefit.

Section G. Grandfather Provision

Employees who are currently employed by the City of Keewatin as of September 1, 2003, shall remain eligible for hospital/medical, dental, life insurance and long term disability benefits and contribution for premiums from the City, as long as they remain employed by the City of Keewatin.