MEMORANDUM OF AGREEMENT BETWEEN CITY OF PHILADELPHIA AND AFSCME DC 33 AUGUST 21, 2014

TERM:

July 1, 2009 – June 30, 2016

SCOPE: The provisions of this Agreement apply to employees represented by District Council 33 who are not eligible for interest arbitration, except that the health and welfare provisions also apply to employees who are eligible for interest arbitration and the interest arbitration panel shall have no jurisdiction to address issues related to health and welfare benefits.

HEALTH & WELFARE:

- (a) The City will make a one-time lump sum payment to the DC 33 Health Fund ("health fund") of \$20 million within 30 days following ratification of the Memorandum of Agreement.
- (b) Effective September 15, 2014, the City's contribution to the health fund will increase to \$1,100 per member per month.
- (c) Effective July 1, 2015, the City's contribution to the health fund will increase to \$1,194 per member per month.
- (d) To the extent permitted by law, the City will deduct the contributions of members to the health fund on a pre-tax basis, provided that the City shall not be required to make any contribution to the health fund for any member who elects to waive coverage by the health fund.
- (e) The existing provisions governing payments on behalf of school crossing guards shall remain in effect.

WAGES:

- (a) All permanent full-time employees in classes represented by District Council 33 who are on the active payroll as of the date of ratification of this Memorandum of Agreement and who are not in a class of employees entitled to interest arbitration shall receive a \$2,800 lump sum ratification bonus.
 - (i) The bonus will not be added to employees' base pay rates.
- (ii) The payment of the bonus will be made within 30 days after written notification to the City of the Union's ratification of the Memorandum of Agreement.
- (iii) A permanent employee who is on a leave of absence without pay as of September 1, 2014 will be eligible for the lump sum ratification bonus only if he/she returns to

the active payroll before March 1, 2015 and remains on the active payroll for at least 60 consecutive calendar days.

- (iv) Bonuses for part-time employees and crossing guards shall be paid in accordance with the parties' practice from 2008.
- (b) Effective September 1, 2014, there shall be an increase of 3.5% in each step of each pay range in the DC 33 pay plan.
- (c) Effective July 1, 2015, there shall be an increase of 2.5% in each step of each pay range in the DC 33 pay plan.

LAYOFF:

Effective upon ratification, employees will be covered by the terms set forth in Civil Service Regulation 16.012 and City Council Ordinance 140206, which respectively change the calculation of layoff scores to use the longevity date in the City's HRIS system for the calculation of seniority credit and amend the DROP ordinance so that temporary layoffs do not constitute a break in service.

PENSION:

- (a) Effective January 1, 2015, the employee contribution towards the pension fund for all employees participating in Plan 87 (Plan Y) and Plan 67 (Plan J) shall increase by .5% of pay over the employee contribution otherwise in effect for the employee's plan under the pension ordinance as it currently exists, including any adjustments that occur annually to the employee contribution under Plan 87 as a result of the annual valuation report.
- (b) Effective January 1, 2016, the employee contribution towards the pension fund for all employees participating in Plan 87 (Plan Y) and Plan 67 (Plan J) shall increase by an additional .5% of pay over any contribution otherwise required.
- (c) Employees hired after ratification must make an irrevocable election at the time of hire to participate in Plan 10 (subject to the terms of Plan 10 as it is currently enacted for municipal employees) or in Plan 87 (Plan Y). Employees who elect to participate in Plan 87 (Plan Y) will pay an additional 1% of pay over the employee contribution otherwise in effect for Plan 87 (Plan Y), including any adjustments that occur as a result of the annual valuation report or this Memorandum of Agreement. The employee shall have the opportunity to speak with a representative of District Council 33 before making this election.
- (d) Current employees will have a window of 90 days following ratification to make an irrevocable election to move into Plan 10.

OVERTIME:

Effective January 1, 2015, sick time will not be counted as hours worked for purposes of determining when overtime is due on a weekly basis.

STEP AND LONGEVITY:

The freeze on step and longevity increment increases that was implemented in July 2009 will be lifted effective September 1, 2014. Employees will be placed prospectively at the appropriate step had such movement been permitted between 2009 and the time the freeze is lifted, including any adjustments for promotions that occurred during that time. A joint committee shall be formed to oversee implementation and resolve disputes.

COMPARABLE WORTH:

Remaining, unspent funds allocated under the 2004 and 2008 contracts for training programs and initiatives established under the previous comparable worth litigation settlement will be spent during the term of the contract.

LIFE INSURANCE:

Effective January 1, 2015, the City will provide life insurance for full-time employees in the amount of \$25,000 subject to the terms currently in effect, including eligibility.

LEGAL SERVICES FUND:

Effective January 1, 2015, the City's contribution to the District Council 33 legal services fund will be \$15 per member per month, subject to the existing rules governing the use of such contributions.

TOOL ALLOWANCE:

Effective January 1, 2015, there will be a fifty dollar (\$50) increase in the tool allowance for eligible employees in positions that are currently entitled to such an allowance. In addition, the class of HVAC mechanics shall be added to the list of classes that are currently eligible for the annual tool allowance.

CHILD CARE COMMITTEE:

A joint labor-management committee shall be established and shall meet to discuss providing enhanced child care opportunities, facilities and programs for employees.

ESSENTIAL EMPLOYEES:

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

GRANT-FUNDED POSITIONS:

The parties agree to meet and discuss the implementation of a pilot program regarding grant-funded positions in the Health Department.

RGI:

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

CONTINUITY OF BENEFITS:

Except as modified by the agreement, all terms and conditions of the collective bargaining agreement between the City and District Council 33 covering the period July 1, 2008 through June 30, 2009 which do not contain specific expiration dates shall remain in full force and effect for the term of this agreement, July 1, 2009 through June 30, 2016.

WITHDRAWAL OF LAWSUIT:

As soon as reasonably possible following ratification of this Memorandum of Agreement, the City shall withdraw its lawsuit seeking permission to implement its final offer in connection with these negotiations.

FOR THE CITY:

FOR THE UNION:

8/21/14