#### 4/1/09 AMENDMENT—JOB BANK ORDINANCE

## CITY OF MINNEAPOLIS

and

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, DISTRICT LODGE NO. 77—MACHINISTS UNIT

# LETTER OF AGREEMENT Job Bank and Related Matters

The above-entitled Parties are signatory to a Labor Agreement which most recently took effect on July 1, 2007. This Letter of Agreement outlines additional agreements reached by the Parties during the course of the collective bargaining which resulted in the making of the Agreement and which the Parties now desire to confirm.

## **GENERAL PROVISIONS**

The Employer has created a *job bank* as a component of its resources allocation (budget) process. The purpose of the Job Bank is to assist the Employer and its employees during a time of major restructuring and change caused by unyielding demands for municipal service in the face of decreasing funding. It is the Employer's intention, to the extent feasible under these circumstances, to identify employment opportunities for employees whose positions are eliminated through reassignment, retraining and out-placement support. One of the purposes of the Job Bank process is to minimize, to the extent possible, the disruption normally associated with contractual "bumping" and layoff procedures to both the Employer and affected employees.

The Job Bank process shall be administered in a manner which is consistent with the Employer's desire to treat affected employees with dignity and respect at a difficult time in their relationship and to provide as much information and assistance to them as may be reasonably possible and practical within the limited resources available.

# JOB BANK PROCESS AND PROCEDURE

Notwithstanding any other provisions of the Agreement to the contrary, the Parties agree as follows:

### Job Bank Assignment

1. Regular (*permanently certified*) employees whose positions are eliminated shall receive formal, written notification to that effect from the appointing authority of the department to which they are assigned. If a position is to be

eliminated in any department, the employee with the least amount of seniority in the particular job class within the impacted division/department will be placed in the job bank, regardless of performance, assignment, function or other consideration. For the purposes of this section, a division is defined as an operational unit headed by a supervisory director or deputy who reports directly to a department head. If a department is of such a size as to have no distinct divisions, the department shall be treated as a division.

- 2. Such employees shall be assigned to the Job Bank. Employees whose positions have been eliminated based on the Employer's regular annual budget process, including the Mayor's proposed budget and/or the final annual City budget as passed by the City Council, or as otherwise ordered by the City Council, are entitled to a sixty (60) day tenure in the job bank. All positions eliminated based on the Mayor's proposed budget and/or the final annual City budget as passed by the City Council must be so eliminated after the Mayor's proposed budget is announced but no later than January 1, of the next budget cycle (unless the department/division intends to eliminate at a later date as part of their final annual budget for that year). Employees whose positions have been eliminated based on any mid-cycle budget or revenue reductions not controlled by the Mayor and the City Council, are entitled to a thirty (30) day tenure in the job bank, or until they are reassigned, whichever may first occur. However, such employees shall have extended job bank services for up to one (1) year to any positions for which they are deemed qualified. During the one (1) year period such laid off employees shall form a pool for "restricted examination" for positions for which they may be qualified. The employee will notify the City of their interest in being considered. The Union will assist in notifying these employees of vacancies to be filled.
- 3. Permit and temporary employees whose employment is terminated are not eligible for Job Bank assignment or benefits. Certified temporary employees shall, however, be eligible for the Job Bank activities described in paragraphs 2(c) and 4, below.

## Job Bank Activities

- 1. While affected employees are assigned to the Job Bank, they shall continue in their positions with no change in pay or benefits. While so assigned, however, affected employees may be required to perform duties outside of their assigned job classifications and/or they may be required to perform such duties at a different location as determined by the Employer.
- 2. While affected employees are assigned to the Job Bank, the Employer shall make reasonable efforts to identify vacant positions within its organization which may provide continuing employment opportunities and which may be deemed suitable for affected employees by all concerned.

- a. **Transfer.** Employees may request to be transferred to a vacant position in another job classification at the same MCSC Grade level provided they meet the minimum qualifications for the position.
  - i. Seniority Upon Transfer. In addition to earning job classification seniority in their new title, transferred employees shall continue to accrue job classification seniority in their former title and they shall have the right to return to their former title if the position to which they have transferred is later eliminated. In the event the transfer is to a formerly held job classification, classification seniority in the new (formerly held) title shall run from the date upon which they were first certified to the former classification.
  - pay Upon Transfer. The employee's salary in the new position will be their former salary or that of the next available step in the pay progression schedule for the new title which provides for an increase in salary if no equal pay progression step exists. If the employee's salary in the former position is greater than the maximum salary applicable to the new title, the employee's salary will be red circled until the maximum salary for the new title meets the employees' red circled rate. Such employees shall, however, be eligible for fifty percent (50%) of the negotiated general increase occurring during the term of the Agreement. Transfers shall not affect anniversary dates of employment for pay progression purposes.
  - iii. Probationary Periods. Employees transferring to a different title will serve a six (6) calendar month probationary period. In the event the probationary period is not satisfactorily completed the affected employee shall be returned to Job Bank assignment for the remaining duration of the sixty (60) or thirty (30) calendar day Job Bank period, as applicable under "Job Bank Assignment, 2, without jeopardizing any bumping or displacement, layoff or transfer rights under the Agreement or other applicable authority.
- b. **Reassignment.** In accordance with the provisions of the Agreement or other applicable authority, affected employees may be transferred to a new position and/or duty location within their job classification at a time determined to be appropriate by the Employer. Such transfers terminate the affected employee's assignment to the Job Bank.

c. **Filling Vacant Positions.** During the time the procedures outlined herein are in effect, position vacancies to be filled shall first be offered to regular employees who have a contractual right to be recalled to a position in the involved job classification or who may have a right to "bump" or transfer to the position, as the case may be. In such circumstances, the seniority provisions of the Agreement shall be observed. If no regular employee has a contractual right to the position, the following shall be given consideration in the order (priority) indicated below:

1<sup>st</sup> Priority: Qualified Job Bank employees

2<sup>nd</sup> Priority: Laid off employees for a period of one (1)

year from separation

3<sup>rd</sup> Priority: Employee/Applicants from a list of eligibles

4<sup>th</sup> Priority: Displaced certified temporary employees

5<sup>th</sup> Priority: Non-employee applicants from a list of

eligibles

d. During their assignment to the Job Bank, affected employees will be provided an opportunity to meet with the Employer's Placement Coordinator to discuss such matters as available employment opportunities with the Employer, skills assessments, training and/or retraining opportunities, out-placement assistance and related job transition subjects. Involvement in these activities will be at the discretion of the employee. Further, affected employees will be granted reasonable time off with pay for the purpose of attending approved skills assessment, training and job search activities. Displaced certified temporary employees are eligible for the benefits described in this paragraph. These services shall be provided to the job bank employee at no cost to the employee.

## Layoff, Bumping and Retirement Considerations

- 1. Affected employees may exercise the displacement, bumping and/or layoff rights <u>immediately</u> described by the Agreement or other applicable authority but in no event later than the end of their tenure in the job bank.
- 2. If an affected employee is unable to exercise any bumping or displacement rights under the Agreement or other authority and has not been placed in another City position, the employee shall be laid off and placed on the appropriate layoff list with all rights pursuant to the relevant collective bargaining agreement provisions, if any, and all applicable Civil Service rules.

- 3. In addition, employees laid off April 1, 2009 through December 31, 2009 shall be eligible for the benefits described as follows:
  - (a) If an employee has medical coverage or medical and dental insurance coverage on the date of layoff and the employee elects to continue medical insurance through COBRA or medical and dental insurance through COBRA, the city shall make the following contribution to the employee's Health Reimbursement Arrangement Plan account:

1st Month of Cobra Eligibility	Contribution  Medical Coverage Level	
	Single	<u>Family</u>
May	\$1,430	<u>\$4,470</u>
June	<u>\$1,450</u>	<u>\$4,540</u>
July	<u>\$1,470</u>	<u>\$4,600</u>
August	<u>\$1,490</u>	<u>\$4,670</u>
September	\$1,520	<u>\$4,740</u>
<u>October</u>	<u>\$1,540</u>	<u>\$4,800</u>
November	<u>\$1,560</u>	<u>\$4,870</u>
December	<u>\$1,580</u>	<u>\$4,940</u>
January	<u>\$1,600</u>	<u>\$5,000</u>

- (b) If an employee has only dental insurance coverage on the date of layoff and the employee elects to continue dental insurance through COBRA at the level of coverage in effect on the date of layoff, the city shall pay one hundred (100) percent of the premium for dental insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the layoff and for the dental plan in effect on the date of the layoff.
- 4. Beginning January 1, 2010, employees laid off shall be eligible for the benefits described as follows:
  - (a) The level of coverage, single or family, shall continue at the level of coverage in effect for the laid off employee as of the date of layoff.
  - (b) The health/dental plan that shall be continued shall be the plan in effect for the employees as of the date of layoff.

(c) The City shall pay one hundred (100) percent of the premiums for the first six (6) months of COBRA continuance at the level of coverage and plan selected by the employee and in effect on the date of the layoff.

The terms of paragraph 4 relating to the continuation of insurance benefits will expire on December 31, 2011. The City Council must take specific action to extend these terms relating to the continuation of insurance benefits if the city Council wants those specific insurance benefits to apply to laid off employees after December 31, 2011.

5. If eligible, affected employees may elect retirement from active employment under the provisions of an applicable pension or retirement plan. In such event, affected employees will be eligible for any available Retirement Incentive that is agreed to by the Parties.

The provisions of this *Letter of Agreement* associated with the Job Bank Program shall become effective upon the approval of the Employer's Council and Mayor and publication of related ordinances in *Finance & Commerce*. The Job Bank procedures outlined herein shall be observed after the negotiated termination date of the collective bargaining agreement between the Parties, and expire on June 30, 2010.

**NOW THEREFORE**, the Parties have caused this *Letter of Agreement* to be executed by their duly authorized representative whose signatures appear below.

FOR THE EMPLOYER:

FOR THE UNION:

Timothy O. Giles Date Director, Employee Services

Business Representative

John Steigauf