

AGREEMENT

BETWEEN

CITY OF LINCOLN PARK

AND

POLICE CHIEF

JULY 1, 2015 – DECEMBER 31, 2017

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**AGREEMENT**

This Agreement entered into this 22nd day of October, 2015 between the City of Lincoln Park, Michigan, hereafter referred to as the City, and the Chief of the Police Department, hereafter referred to as the Chief.

**Article I – PURPOSE AND INTENT**

The general purpose of the Agreement is to set forth terms with respect to salaries, hours and other conditions of employment, between the City of Lincoln Park and the Police Chief. The City reserves all of its rights except as otherwise specifically outlined herein under the law and Charter including all rights under PA 436.

**Article II – WAGES**

This base pay will compensate for overtime, and no overtime will be accumulated as Chief. On termination or retirement there will be no time off or payoff for overtime worked as Chief.

Police Chief	Yearly \$79,816.08	Hourly \$38.37
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**Article III – DEFINITIONS**

**EMERGENCY MANAGER** – The individual appointed by the State of Michigan pursuant to PA 436.

**RETIREMENT** – For the purposes of leave and sick time payout retirement shall be defined as the attainment of age fifty (50) with twenty-five (25) or more years of service or after twenty-eight (28) years of service regardless of age, duty disability retirees and vested members who reach age sixty (60) with at least eighteen (18) years of service time.

**Article IV – OTHER ALLOWANCES**

***Section 1 – In Lieu of Overtime***

The Chief will receive an allowance of four percent (4%) of his base pay in lieu of overtime, to be paid by October 15<sup>th</sup> of each year.

**Article V – LONGEVITY**

The Chief shall receive an annual longevity payment of \$777.01. This payment will be made on the anniversary date of employment.

**Article VI - COMPULSORY SCHOOLING**

***Section 1 - Time Off to Attend***

The Chief shall be granted time off work, at the discretion of the City, in order to obtain and/or maintain the qualifications listed in this agreement.

***Section 2 - Payment of Tuition, Books, Fees & Accommodations***

The City of Lincoln Park shall reimburse the Chief for tuition and all required material (Books, Lab Fees, etc.) for courses enabling the Chief to meet the qualifications listed in this agreement with a cap of \$2000.00 subject to approval of the Emergency Manager or City Manager. The Chief must achieve a “C” or higher for the class in order to receive reimbursement. Further, the City shall pay directly or reimburse the Chief the cost of overnight accommodations and meals (based on the City’s policy) for training with the approval of the Emergency Manager or City Manager.

**Article VII – HOLIDAY**

The Chief shall be entitled to the following holidays:

- |                |                  |                  |
|----------------|------------------|------------------|
| New Year’s Day | Christmas Day    | Thanksgiving Day |
| Memorial Day   | Independence Day | Labor Day        |

Should the Holiday fall on a Saturday or Sunday, the Chief shall be entitled to the Friday directly prior or the Monday directly after the Holiday.

The following Holidays will be unpaid:

- |                        |               |                        |
|------------------------|---------------|------------------------|
| New Year’s Eve         | Christmas Eve | Day after Thanksgiving |
| Martin Luther King Day | Veteran’s Day | President’s Day        |

If the Chief works any of these days, pay will be at straight time or Leave time may be used on these unpaid holidays

**Article VIII – LEAVE TIME**

***Section 1 – Personal Leave***

The Chief shall receive 2 Personal days (16 hours) per fiscal year, on July 1<sup>st</sup>. Personal days are non-accumulative and non-compensable.

***Section 2 – Vacation***

The Chief shall receive 20 Vacation days (160 hours) per year, credited on their anniversary date of employment. Accumulation of Vacation time shall not exceed 40 days (320 hours) in a two (2) year period. The Chief shall be entitled to receive payment for Vacation time at termination or retirement with a maximum of 30 days (240 hours), as long as a two (2) week notice has been received by the City and the Chief has made himself available to work at the City’s request for at least seven (7) working days before departing to aid with transition.

**Article IX – BEREAVEMENT**

The Chief shall be granted five (5) eight (8) hour working days, with no loss of pay, for the purpose of attending the funeral of:

- |                |            |         |               |
|----------------|------------|---------|---------------|
| Current Spouse | Child      | Sister  | Mother-in-law |
| Parent         | Step Child | Brother | Father-in-law |
| Step Parent    |            |         |               |

The Chief shall be granted three (3) eight (8) hour working days, with no loss of pay, for the purpose of attending the funeral of:

- |                 |        |                     |
|-----------------|--------|---------------------|
| Sister-in-law   | Aunt   | Grandparent         |
| Brother-in-law  | Uncle  | Grandchildren       |
| Daughter-in-law | Niece  | Member of Household |
| Son-in-law      | Nephew | Stillborn Child     |

The Chief shall be granted one (1) eight (8) hour working days, with no loss of pay, for the purpose of attending the funeral of:



Current Spouse’s Brother-in-law  
Current Spouse’s Grandchildren

Current Spouse’s Sister-in-law

If the funeral occurs over 250 miles away, or in an unusual hardship case, an additional two (2) days shall be granted. Proof of attendance at the funeral may be required of any member requesting bereavement leave.

**Article X - SICK LEAVE USAGE POLICY**

***Section 1 – Accumulation, Payout & Short Term/Long Term Disability Insurance***

Effective July 1, 2015, the Chief shall earn six (6) hours per month. Time earned will be placed in their sick leave bank at the end of each fiscal year.

The City may change this policy at any time if, in its sole discretion, it believes the spirit of the Agreement to not abuse sick time is being violated.

In August of each fiscal year, the Chief will be paid for all sick time in excess of 720 hours. Said time will automatically be contributed into the Chief’s HCSP or HSA or other vehicle established to provide for retiree healthcare funding.

The employer shall provide, and pay for, a short/long term disability policy for the Chief which will provide three hundred and sixty five (365) calendar days of disability after the ninety (90) calendar day elimination period has been met. The policy shall provide employees compensation at 66.67% of base salary with a maximum of \$5000 per month.

If the Chief is eligible for retirement as defined herein and retires from the City, the employer shall pay for 50% of all sick time in the Chief’s sick bank not to be applied to FAC as long as a 14-day notice of separation has been provided. The Chief must also be available on seven (7) work days prior to his separation date to assist in transition to be eligible for payment. No more than 360 hours will be paid under this provision.

Any job related injury to the Chief which requires medical treatment and results in lost time shall be compensated in the following manner:

If determined to be a work related injury, the City will compensate the difference between Workers Compensation and the base salary for a period of one year without loss of time. The Chief must meet and cooperate with the requirements set forth by the Workers Compensation Administrator. The Chief must comply with all directives and orders of medical personnel, institutions or facilities.

***Section 2 – Non-Rehabilitative Work Related Injury or Illness***

If the Chief has a work related medical problem which in the opinion of a qualified physician is non-rehabilitative, the disposition shall be determined in accordance with the provisions of this Agreement and the Pension System.

***Section 3 - Family Medical Leave Act***

Notwithstanding the Federal Family and Medical Leave Act, (FMLA) which is hereby incorporated by reference into the contract, a member who takes FMLA leave to which he or she is entitled:

- 1) Shall continue to accrue seniority for promotional purposes only; and,
- 2) Must use accrued paid leave consistent with City policy. The City’s policy, as amended, is incorporated by reference herein.



**Article XI - INSURANCE BENEFITS**

***Section 1 - Medical Insurance - Hospitalization***

The City shall provide for the Chief and eligible members of the Chief's family, the same insurance as offered other City employees. The City reserves the right to change these benefits at any time. Prior notification will be provided to the Chief.

The City shall have the right to utilize self-insurance, wrap around plans, and /or change carriers. The Chief will be given a reasonable time to review the specific changes proposed.

The City shall pay \$350.00 per month if the Chief elects not to participate in said insurance program. The Chief shall have the option to enroll in the health plan during the open enrollment period held each year.

***Section 2 - Dental Insurance***

The City shall assume the full cost of all dental insurance premiums.

***Section 3 - Optical Program***

The City shall assume the full cost of all optical insurance premiums.

***Section 4 - Premium Sharing***

The Chief will pay twenty percent (20%) of the cost of their selection for them and their family of the over-all premium share of health insurance including taxes and fees.

***Section 5 - Life Insurance***

The City shall provide the following life insurance coverage:

- 1) A \$50,000.00 Term Life Insurance Policy with \$50,000.00 Accidental Death and Dismemberment.
- 2) A \$15,000.00 Term Life Insurance Policy shall be continued for the Chief who retires, under the Police and Fire Retirement system. If the Chief receives a disability retirement, and is eligible for Waiver of Premium benefits, would have that benefit reduced to the same amount an active Chief would receive upon their retirement. The benefit would be the amount in effect at the time the disabled Chief attains normal retirement age.

***Section 6 - Retiree Health Care***

The Chief will participate in a Medical Health Plan (individual retirement health insurance plan Health or Retirement Savings Account in lieu of City of Lincoln Park Retiree Health Insurance). It will be through MERS or ICMA, unless the City decides to utilize another carrier. The City will sit down and discuss carriers with the Chief.

The City and the Chief agree that effective upon implementation of the plan, the Employer will contribute 2% of the gross base wage into the plan. The Employee may add an additional amount of their gross base wage if authorized by the carrier which will not be matched by the City. The City will begin contributing effective March 1, 2015.

This plan is immediately vested on the Employer contribution.

This will acknowledge that retiree healthcare is eliminated for the Chief.

The City will attempt to provide a catch up provision that provides additional funding for the Chief if hired prior to July 1, 2010. This is not a guarantee. The decision will be at the sole discretion of the City. The City will continue to discuss this issue with the Chief before a final decision is made.



**Section 7 - Changes in Benefits/Carriers**

In the event the City desires to change or is required by State or Federal Law, any aspect of insurance benefits or carriers as noted in this Article, notice will be provided to the Chief

Language for Health Care Reform:

- A. The City will comply with all provisions of the Patient Protection and Affordable Care Act [Public Law 111-148 of the 111<sup>th</sup> Congress, 42 U.S.C. 18001]. As such, Health Insurance Plans may be subject to change in order to remain in compliance with same and avoid penalties.
- B. The City may reopen this Agreement to address the Patient Protection and Affordable Care Act issues.

**Section 8 - Flexible Spending Arrangement (FSA)**

The City shall offer a Flexible Spending Arrangement (FSA) as provided by I.R.S. guidelines for employees.

**Section 9 - Line of Duty Disability or Death**

In the event the Chief is killed or disabled in the line of duty the City shall continue to provide Health, Optical and Dental Insurance to the Chief and/ or their beneficiary for three years. These benefits shall be equal to an active Chief.

**Article XII – TERMINATION BENEFITS**

**Section 1 – Severance and Layoff**

In case of severance or layoff from the Police Department, the Chief shall receive their health insurance and life Insurance coverage for a period of three (3) months from the date of their separation, except in case of voluntary resignation. Provided, however, that all insurance coverage provisions shall be subject to the rules and regulations of the insurance carrier.

**Section 2 – Benefits at Death**

In the event termination is due to the Chief’s death, said termination benefits, including 50% of unused sick leave accumulation not to exceed 360 hours, vacation leave accumulating not to exceed 30 days, shall be paid to their beneficiary, heirs or estate.

Additionally, In Lieu of Overtime and Longevity payments will be prorated and shall be paid to their beneficiary, heirs or estate.

**Article XIII – GENERAL**

**Section 1 – Laws of the State of Michigan**

A. This Agreement is subject to the laws of the State of Michigan with respect to the powers, rights, duties, and obligations of the City, and in the event that any provision of this Agreement shall at any time be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree, no appeal has been taken within the time provided therefore, such provision shall be void and inoperative; however, all other provisions of this Agreement shall, insofar as possible, continue in full force and effect.

B. All rights under PA 436 or other Public Act are specifically retained by the City, including but not limited to, the ability to eliminate or contract out the position of Police Chief.

**Section 2 – Copy of Agreement**

A copy of this Agreement shall be distributed by the City to the Chief.



**Section 3 – Residency/Non-Residency**

The City shall be given the same privileges regarding the residency/non-residency as awarded to any personnel or bargaining unit under their supervision.

**Article XIV – PENSION**

**Section 1 – MERS OR ANOTHER SYSTEM OR MANAGER**

The City and the Chief agree that the present pension system and administration is in place but may be changed by the City. The Chief also recognizes that should the electorate adopt an Act 345 System a Letter of Understanding executed by the City of Lincoln Park and the Police Officers Labor Council Command Bargaining Unit will be equally applicable to him. The decision to transfer will be that of the Emergency Manager or City Administrator/Manager with the approval of the TAB.

**Section 2 – Pension Multiplier**

The pension multiplier was 2.8% for periods before July 1, 2013. Effective July 1, 2013, going forward the multiplier will be reduced to a 2.5% if the Chief stays through retirement as defined herein, and 2.0% if the Chief leaves before full retirement.

Effective July 1, 2015, new pension or retirement benefits can be issued by the Emergency Manager at their sole discretion. Notification will be provided to the Chief.

**Article XV – DURATION**

**Section 1 – Full Force and Effect**

This Agreement shall be effective the 1<sup>st</sup> day of July, 2015 and shall remain in full force and effect to and including December 31, 2017, unless the Chief’s services are terminated or ended because the Chief did not pass probation, for just cause, the Chief resigns or retires before the expiration date or the position of Police Chief is eliminated or combined into another position or is contracted out.

If termination is for just cause it may be the results of the inability or unwillingness to perform the duties of the Police Chief in a manner expected acts of insubordination, abandonment, gross misconduct on or off duty, willful violation of act, statute, law or ordinance, misfeasance, malfeasance, nonfeasance in the performance of the Chief’s duties and/or conduct unbecoming a Chief or other reasons which amount to just cause.

**Article XVI – ARBITRATION**

If a dispute arises concerning this Agreement or Employee’s employment with the Employer, such dispute can be resolved only through binding arbitration pursuant to the terms of this arbitration provision. Within one hundred eighty (180) days of the event or occurrence which gives rise to the dispute, either Employee or the Employer may file a demand for arbitration with the American Arbitration Association (“AAA”). Such arbitration shall be heard by a single Michigan arbitrator. The determination of the arbitrator shall be binding upon both the Employer and Employee. All expenses, costs, administrative filing fees and arbitrator’s fees shall be shared equally by the Employer and Employee. The parties further agree that they will comply with the terms of this arbitration provision and any award rendered by the arbitrator, and that a judgment of a court having jurisdiction may be entered upon the award as long as the arbitrator does not exceed their authority or jurisdiction. This arbitration agreement specifically includes, but is not limited to, statutory claims of employment discrimination.

The parties also specifically agree that no Arbitrator has the authority to modify or amend the Agreement in any way.

Moreover, where a decision has been reserved to the City or Emergency Manager, the Arbitrator has no authority or jurisdiction to modify same.

Further, no Arbitrator may make a decision which is contrary to PA 436 or where that right has been reserved to the City or Emergency Manager under PA 436.

**Article XVII – RETROACTIVITY**

Upon acceptance of this agreement all wage increases, longevity payment and other allowances will be calculated and back-paid to July 1<sup>st</sup> 2015.

CITY OF LINCOLN PARK

  
\_\_\_\_\_  
Brad Coulter, Emergency Manager

CHIEF

  
\_\_\_\_\_  
Ray Waters, Police Chief

Dated: 11/24/15



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

November 10, 2015

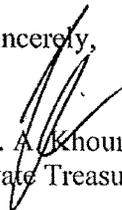
Mr. Brad Coulter, Emergency Manager  
City of Lincoln Park  
1355 Southfield Road  
Lincoln Park, MI 48146

Dear Emergency Manager Coulter:

I have reviewed your request of October 23, 2015 to approve the employment contract between the City of Lincoln Park and Mr. Ray Watters for the position of police chief. Pursuant to Section 12(3) of Public Act 436 of 2012, the Local Financial Stability Act, this contract requires the State Treasurer's approval because the contract was not competitively bid and it exceeds the statutory threshold of \$50,000.00.

This letter serves as my approval of this action. You may execute this contract without further delay.

Sincerely,

  
N. A. Khouri  
State Treasurer