MEMORANDUM OF AGREEMENT Between the City of St. Francis and LELS Union Local 319

(Vacation and Severance Language)

This Memorandum of Agreement is entered into between Law Enforcement Labor Services Local No. 319 the (hereafter "Union") and the City of St. Francis, MN, (hereafter "City").

WHEREAS, the City and the Union are parties to a collective bargaining agreement (hereinafter Agreement) in effect from January 1, 2022, to December 31, 2024, providing for the terms and conditions of employment for certain police officers working for the City; and

WHEREAS, the City has approved modifying the vacation time and employee severance provisions for the general benefit-earning non-union employees of the City to be effective on December 31st, 2023 as part of an update to the City's existing Personnel Policy Handbook; and

WHEREAS, the Union has requested, and the City has agreed, to add the following vacation and employee severance provisions as noted below in order to bring the collective bargaining agreement into conformity with the updated Personnel Policy Handbook; and

NOW, THEREFORE, the parties have agreed to amend Section 14 (Vacation) and Section 17 (Severance) to bring its language into conformity with the City's current Personnel Policy Handbook:

- 14.2 Accumulation of the annual vacation period from year to year shall be allowed, not to exceed the <u>maximum of 220 hours</u>. lesser of 180 hours or one and one half (1½) times the employee's annual vacation allowance. Any time beyond the lesser of 180 hours or one and one half (1½) times the annual vacation allowance will be lost.
- 14.3 Vacation time for full-time employees shall be earned and credited during each two (2) week pay period. Employees shall accrue vacation time at the following rates:

| | Days/Year | Hrs/Pay Period | Max Accumulation |
|-----|-----------|----------------|--|
| 0-5 | | 3.077 | -120 |
| | 15 | 4.615 | <u></u> |
| | | 4.923 | -180 |
| | 17 | -5.231 | -180 |
| | | 5.538 | -180 |
| | 19 | <u> </u> | <u> 180 </u> |
| | 20 | <u>-6.154</u> | -180 |

| Years of Service | Hours of Vacation/Year | Hrs/Pay Period | Max Accumulation |
|------------------|---------------------------|----------------|------------------|
| <u>0-2</u> | <u>80</u> | <u>3.077</u> | <u>120 Hours</u> |

| Γ | 2-5 | <u>120</u> | 4.615 | <u>140 Hours</u> |
|---|--|------------|--------------|------------------|
| | <u>5-10</u> | <u>160</u> | <u>6.154</u> | <u>180 Hours</u> |
| Γ | 10-14 | <u>180</u> | <u>6.923</u> | <u>200 Hours</u> |
| Γ | 15+ | <u>200</u> | 7.692 | <u>220 Hours</u> |
| A. Max Accumulation shall be set by the employee's current accrual rate per pay period. Any hours | | | | |
| | over maximum accumulation amount on December 31 st of each year will not be paid out and will | | | |

be lost. Revised, Max Accumulation scheduled will become effective December 31, 2023.

In addition, Section 17.5 shall be modified to state regarding employee severance:

17.5 When an employee resigns employment he/she will provide the department with a minimum of two weeks notice unless another notice period has been stipulated by the department. Employees who terminate by giving the required notice and who leave for reasons other than anticipated termination for cause, will receive severance pay equal to fifty percent (50%) of his or her accumulated and unused sick leave at time of termination. This amount shall be calculated at Employee's regular rate of pay on the date of his or her termination. In no event shall this severance payment exceed an amount equal to fifty days paid at the Employee's regular rate of pay at the time of termination. In those cases in which an Employee terminates employment and fails to give required notice of resignation or if the Employee is terminated for cause, the right to severance pay shall be reviewed on an individual basis and a determination of eligibility shall be within the discretion of the Employer. The written resignation must state the effective date of their resignation. Failure to comply with this procedure may be considered cause for denying such Employee's future employment with the City and severance pay.

RETIREMENT NOTICE PROGRAM, effective 01-01-2024

This program is to strengthen city succession planning efforts that will facilitate the transfer of vital institutional knowledge from long-time employees to new hires. Employees who are retiring from an FTE position, meets PERA eligible status, and have been with the City for at least ten years shall be eligible for the following payment. The notice length is based on date of Council retirement acceptance.

<u>180-day notice - \$1000.00 severance payment</u> <u>120-day notice - \$500.00 severance payment</u> <u>90-day notice - \$250.00 severance payment</u>

SEVERANCE PAY, effective 01-01-2024

Employees who leave the City in good standing by retirement or resignation will receive pay for 100% of unused accrued vacation up to the maximum accrual amount by years of service and will follow the schedule for accrued sick leave:

The payment for accrued sick leave shall be applied towards the Employee's Minnesota State Retirement Health Care Savings Plan.

| Up to 8 years of service | 50% of accrued sick leave |
|--------------------------|---------------------------|
| 9 to 16 years of service | 65% of accrued sick leave |

17 years or more of service 80% of accrued sick leave

Good standing is defined as the Employee providing the required notice of resignation and voluntary resigning reasons other than in anticipation of discharge. In those cases, in which an Employee terminates employment and fails to give required notice of resignation or if the employee is terminated for cause, the right to severance pay shall be reviewed on an individual basis and determination of eligibility shall be within the discretion of the Employer.

The parties agree that this Memorandum of Agreement is effective as of January 1, 2024, and remains in effect for the duration of the current (2022-2024) collective barging agreement.

The remainder of the current collective bargaining agreement for 2022-2024 is not impacted by this agreement and shall remain in full force and effect.

The parties recognize that this shall not operate as a waiver of management or union rights or establish any precedent or past practice.

This Memorandum of Agreement represents the full and complete agreement between the parties regarding this matter.

For the City of St. Francis:

For the Union:

Dated_____

Dated_____