



**CITY OF ALLEGAN
CITY COUNCIL BUDGET MEETING
Thursday, April 20, 2023, 5:30PM
City Council Chambers - 231 Trowbridge Street
Allegan, Michigan**

1. Call to Order
2. Attendance
3. Public Comment Period
4. Authorization of the City Manager to execute Memorandum of Understandings with the three bargaining units for the City of Allegan
5. FY2024 Budget Presentation
6. Adjournment



City of Allegan
City Manager's Office
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

MEMORANDUM

TO: Allegan City Council
FROM: Joel Dye, City Manager
REVIEWED BY: N/A
DATE: April 20, 2023

SUBJECT: Authorization of the City Manager to execute Memorandum of Understandings with the three bargaining units for the City of Allegan

Action Requested:

It is requested that City Council authorize the City Manager to execute Memorandum of Understandings with the three bargaining units for the City of Allegan.

Background:

The City of Allegan has three bargaining units representing approximately 75% of the city's workforce. These bargaining units, which are more commonly known as unions, are officially recognized as the Service Employee International Union 517M, the Patrol Officers Association of Michigan and the Command Officers Association of Michigan. These bargaining units represent employees in the Police Department, the Department of Public Works and the Water Utilities Department.

Over the past few months, City Administration has been in negotiations with the Unions to change the City's Health Insurance Plan, increase the employee's hours wages, offer one-time bonuses, and incorporate employee policies already approved by city council, such as paternal leave. The unions have ratified the Memorandum of Understandings and now City Council needs to authorize the City Manager to execute these Memorandum of Understandings.

Below is summary of the agreement:

1. Health Insurance Change

- a. Effective July 1, 2023, change the current Plan to the Priority Health HSA \$1,500 Gold HMO Plan.
- b. In 2023, each primary insured will receive a one-time \$1,000 bonus.
- c. The Employer will fully fund the deductible (based upon the employee's selection of single, two-person, or family coverage) for the Plan Year on July 1, 2023 and for the Plan Year starting July 1, 2024.



City of Allegan
City Manager's Office
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

- d. In Plan Year 2023, the Employer will add \$1000.00 into the HSA of each employee with two-person and family coverage. In Plan Year 2023, the Employer will add \$500.00 into the HSA of each employee with single coverage.
- e. Any employee who pays more for their premiums in Plan Year 2023 due to the change in health insurance plans, will receive a one-time additional bonus in 2023 equal to the increase in his/her annual coverage.

2. Define Regular Part-Tim Employee

Regular Part-Time Employee: A regular part-time employee is an employee who is scheduled to work less than eighty (80) but at least ~~fifty (50)~~ **forty (40)** hours per pay period in a position classified by the Employer as permanent.

3. Redefine Funeral Leave:

Bereavement is the period of grief and mourning after a death. As such, funeral leave must occur within the first 30 days of the loss of a family member as described above.

4. Modify the Holiday Schedule:

Add Juneteenth as an additional holiday and remove Columbus Day.

5. Add Parental Leave:

All employees are eligible to take two (2) consecutive weeks of paid leave from work up to, but no more than, once per year specifically for the activity of caring for a newborn child or newly adopted child in which they will serve as the primary care giver. This time will not be deducted from an employee's available PTO time but is instead a donation of time to the employee from the City of Allegan as the Employer. To qualify for this benefit, the following criteria must be met:

- (a) Employee must pre-arrange time off with the Department Supervisor, or reporting entity, prior to taking the time donation.
- (b) The child's primary residency must be the same as the primary care giver.
- (c) The child must be eligible to be covered by the City of Allegan health insurance.
- (d) The employee must be an employee of the City of Allegan for at least six (6) months prior to qualifying for this benefit.
- (e) The time must be taken within nine (9) months of the child's birth or adoption.
- (f) Holiday's during the parental leave will count as holidays and not count against the two-week parental leave.



City of Allegan
City Manager's Office
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

(g) This two (2) week period of donated time will be in addition to FMLA leave.

6. Modify Appendix A to increase the 7-1-2023 wage increase from 2.0% to 3.0%.

Attached are the Memorandum of Understandings for each of the unions.

Attachment(s):

SEIU 517M Memorandum of Understanding

POAM Memorandum of Understanding

COAM Memorandum of Understanding

**CITY OF ALLEGAN
AND
SERVICE EMPLOYEES INTERNATIONAL UNIT, LOCAL 517M**

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING, entered into as of the date indicated below, by and between the CITY OF ALLEGAN, hereinafter referred to as the Employer, and the SERVICE EMPLOYEES INTERNATIONAL UNIT, LOCAL 517M, hereinafter referred to as the Union.

WHEREAS, the Union and the Employer desire to modify their current collective bargaining agreement to modify the health insurance benefit, add and modify additional fringe benefits and increase the employee wage scale;

THEREFORE, the parties agree to the following:

1. Modify Article XIX Insurance as follows:
 - a. Effective July 1, 2023, change the current Plan to the Priority Health HSA \$1,500 Gold HMO Plan.
 - b. In 2023, each primary insured will receive a one-time \$1000 bonus.
 - c. The Employer will fully fund the deductible (based upon the employee's selection of single, two-person, or family coverage) for the new plan year on July 1, 2023 and for the Plan Year starting July 1, 2024.
 - d. In Plan Year 2023, the Employer will add \$1000.00 into the HSA of each employee with two-person and family coverage. In Plan Year 2023, the Employer will add \$500.00 into the HSA of each employee with single coverage.
 - e. Any employee who pays more for their premiums in Plan Year 2023 due to the change in health insurance plans, will receive a one-time additional bonus in 2023 equal to the increase in his/her annual coverage.
2. Modify Section 1.1:

Regular Part-Time Employee: Regular Part-time Employee: A regular part-time employee is an employee who is employed by the Employer on a regular basis and whose normal work schedule usually consists of ~~thirty (30)~~ **twenty (20)** or more but less than forty (40) hours per week in a position classified by the Employer as permanent.
3. Add the following to Section 11.4 Funeral/Bereavement Leave:

Bereavement is the period of grief and mourning after a death. As such, funeral leave must occur within the first 30 days of the loss of a family member as described above.
4. Modify Section 12.0 as follows:

Delete **Columbus Day** and replace with Juneteenth.

5. New Section 11.10 Parental Leave:

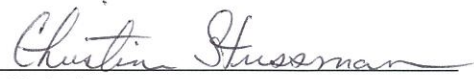
All employees are eligible to take two (2) consecutive weeks of paid leave from work up to, but no more than, once per year specifically for the activity of caring for a newborn child or newly adopted child in which they will serve as the primary care giver. This time will not be deducted from an employee's available PTO time but is instead a donation of time to the employee from the City of Allegan as the Employer. To qualify for this benefit, the following criteria must be met:

- (a) Employee must pre-arrange time off with the Department Supervisor, or reporting entity, prior to taking the time donation.
- (b) The child's primary residency must be the same as the primary care giver.
- (c) The child must be eligible to be covered by the City of Allegan health insurance.
- (d) The employee must be an employee of the City of Allegan for at least six (6) months prior to qualifying for this benefit.
- (e) The time must be taken within nine (9) months of the child's birth or adoption.
- (f) Holiday's during the parental leave will count as holidays and not count against the two-week parental leave.
- (g) This two (2) week period of donated time will be in addition to FMLA leave.**

6. Modify Appendix A to increase the 7-1-2023 wage increase from **2.0% to 3.0%**.

Joel Dye, City Manager

Date



Christine Stressman
SEIU Sr. Labor Relations Spec.

4-18-23

Date

**CITY OF ALLEGAN
AND
POLICE OFFICERS ASSOCIATION OF MICHIGAN**

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING, entered into as of the date indicated below, by and between the CITY OF ALLEGAN, hereinafter referred to as the Employer, and the POLICE OFFICERS ASSOCIATION OF MICHIGAN, hereinafter referred to as the Union.

WHEREAS, the Union and the Employer desire to modify their current collective bargaining agreement to modify the health insurance benefit, add and modify additional fringe benefits and increase the employee wage scale;

THEREFORE, the parties agree to the following:

1. Modify Article XIX Insurance as follows:
 - a. Effective July 1, 2023, change the current Plan to the Priority Health HSA \$1,500 Gold HMO Plan.
 - b. In 2023, each primary insured will receive a one-time \$1,000 bonus.
 - c. The Employer will fully fund the deductible (based upon the employee's selection of single, two-person, or family coverage) for the Plan Year on July 1, 2023 and for the Plan Year starting July 1, 2024.
 - d. In Plan Year 2023, the Employer will add \$1000.00 into the HSA of each employee with two-person and family coverage. In Plan Year 2023, the Employer will add \$500.00 into the HSA of each employee with single coverage.
 - e. Any employee who pays more for their premiums in Plan Year 2023 due to the change in health insurance plans, will receive a one-time additional bonus in 2023 equal to the increase in his/her annual coverage.

2. Modify Article I, Section 1.2:

Regular Part-Time Employee: A regular part-time employee is an employee who is scheduled to work less than eighty (80) but at least ~~forty (40)~~ **forty (40)** hours per pay period in a position classified by the Employer as permanent.

3. Add the following to Article XII, Section 12.1 Funeral Leave:

Bereavement is the period of grief and mourning after a death. As such, funeral leave must occur within the first 30 days of the loss of a family member as described above.

4. Modify Article XX Holidays, Section 20.1 as follows:

Add Juneteenth as an additional holiday.

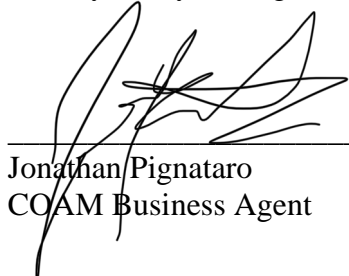
5. Modify Article XI Leaves of Absence, by adding a new Section 11.6 Parental Leave:

All employees are eligible to take two (2) consecutive weeks of paid leave from work up to, but no more than, once per year specifically for the activity of caring for a newborn child or newly adopted child in which they will serve as the primary care giver. This time will not be deducted from an employee's available PTO time but is instead a donation of time to the employee from the City of Allegan as the Employer. To qualify for this benefit, the following criteria must be met:

- (a) Employee must pre-arrange time off with the Department Supervisor, or reporting entity, prior to taking the time donation.
- (b) The child's primary residency must be the same as the primary care giver.
- (c) The child must be eligible to be covered by the City of Allegan health insurance.
- (d) The employee must be an employee of the City of Allegan for at least six (6) months prior to qualifying for this benefit.
- (e) The time must be taken within nine (9) months of the child's birth or adoption.
- (f) Holiday's during the parental leave will count as holidays and not count against the two-week parental leave.
- (g) This two (2) week period of donated time will be in addition to FMLA leave.**

6. Modify Appendix A to increase the 7-1-2023 wage increase from 2.0% to 3.0%.

Joel Dye, City Manager



Jonathan Pignataro
COAM Business Agent

Date

4-19-23

Date

**CITY OF ALLEGAN
AND
POLICE OFFICERS ASSOCIATION OF MICHIGAN**

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING, entered into as of the date indicated below, by and between the CITY OF ALLEGAN, hereinafter referred to as the Employer, and the POLICE OFFICERS ASSOCIATION OF MICHIGAN, hereinafter referred to as the Union.

WHEREAS, the Union and the Employer desire to modify their current collective bargaining agreement to modify the health insurance benefit, add and modify additional fringe benefits and increase the employee wage scale;

THEREFORE, the parties agree to the following:

1. Modify Article XIX Insurance as follows:
 - a. Effective July 1, 2023, change the current Plan to the Priority Health HSA \$1,500 Gold HMO Plan.
 - b. In 2023, each primary insured will receive a one-time \$1,000 bonus.
 - c. The Employer will fully fund the deductible (based upon the employee's selection of single, two-person, or family coverage) for the Plan Year on July 1, 2023 and for the Plan Year starting July 1, 2024.
 - d. In Plan Year 2023, the Employer will add \$1000.00 into the HSA of each employee with two-person and family coverage. In Plan Year 2023, the Employer will add \$500.00 into the HSA of each employee with single coverage.
 - e. Any employee who pays more for their premiums in Plan Year 2023 due to the change in health insurance plans, will receive a one-time additional bonus in 2023 equal to the increase in his/her annual coverage.

2. Modify Article I, Section 1.2:

Regular Part-Time Employee: A regular part-time employee is an employee who is scheduled to work less than eighty (80) but at least ~~forty (40)~~ **forty (40)** hours per pay period in a position classified by the Employer as permanent.

3. Add the following to Article XII, Section 12.1 Funeral Leave:

Bereavement is the period of grief and mourning after a death. As such, funeral leave must occur within the first 30 days of the loss of a family member as described above.

4. Modify Article XX Holidays, Section 20.1 as follows:

Add Juneteenth as an additional holiday.


5. Modify Article XI Leaves of Absence, by adding a new Section 11.6 Parental Leave:

All employees are eligible to take two (2) consecutive weeks of paid leave from work up to, but no more than, once per year specifically for the activity of caring for a newborn child or newly adopted child in which they will serve as the primary care giver. This time will not be deducted from an employee's available PTO time but is instead a donation of time to the employee from the City of Allegan as the Employer. To qualify for this benefit, the following criteria must be met:

- (a) Employee must pre-arrange time off with the Department Supervisor, or reporting entity, prior to taking the time donation.
- (b) The child's primary residency must be the same as the primary care giver.
- (c) The child must be eligible to be covered by the City of Allegan health insurance.
- (d) The employee must be an employee of the City of Allegan for at least six (6) months prior to qualifying for this benefit.
- (e) The time must be taken within nine (9) months of the child's birth or adoption.
- (f) Holiday's during the parental leave will count as holidays and not count against the two-week parental leave.
- (g) This two (2) week period of donated time will be in addition to FMLA leave.**

6. Modify Appendix A to increase the 7-1-2023 wage increase from 2.0% to 3.0%.

Joel Dye, City Manager



Jonathan Pignataro
POAM Business Agent

Date

4-19-23

Date