

LABOR AGREEMENT

BETWEEN

Hutchinson



City of Hutchinson MN

AND



**Law Enforcement
Labor Services, Inc.**

**REPRESENTING:
Hutchinson PD Sergeants
LOCAL # 458**

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ARTICLE 1. PURPOSE OF AGREEMENT

This Agreement is entered into between the City of Hutchinson, hereinafter called the Employer, and the Law Enforcement Labor Services, Inc, Local #458 hereinafter called the Union, and collectively, the Parties. It is the intent and purpose of this Agreement to:

- 1.1 Assure sound and mutually beneficial working and economic relations between the Parties hereto;
- 1.2 Establish procedures for the resolution of disputes concerning this Agreement's interpretation and/or application; and
- 1.3 Place in written form the Parties' agreement upon terms and conditions of employment for the duration of this Agreement.

ARTICLE 2. RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive representative under Minn. Stat. § 179A.12, subd. 10, of a bargaining unit certified by the Bureau of Mediation Services on May 5, 2020, BMS Case No. 20PCE2369, and described as:

All licensed essential employees within the rank of Sergeant employed by the City of Hutchinson Police Department, Hutchinson, Minnesota, who are public employees within the meaning of Minn. Stat. § 179A.03, subd. 14, excluding confidential employees, and all other employees of the Hutchinson Police Department.

- 2.2 In the event the Employer and the Union are unable to agree as to the inclusion or exclusion of a new or modified job class, the issue shall be submitted to the Bureau of Mediation Services for determination.

ARTICLE 3. DEFINITIONS

- 3.1 Union: Law Enforcement Labor Services, Local #458
- 3.2 Union Member: A member of the Law Enforcement Labor Services, Local #458
- 3.3 Employee: A member of the exclusively recognized bargaining unit.
- 3.4 Department: The Hutchinson Police Department.
- 3.5 Employer: The City of Hutchinson.
- 3.6 Chief: The Chief of the Hutchinson Police Department.
- 3.7 Union Officer: Officer elected or appointed by Law Enforcement Labor Services, Local #458.

- 3.8 Overtime: Work performed at the express authorization of the Employer in excess of forty (40) hours per work week.
- 3.9 Scheduled Shift: A consecutive work period including rest breaks and a lunch break.
- 3.10 Rest Break: Periods during the scheduled shift during which the employee remains on continual duty and is responsible for assigned duties.
- 3.11 Lunch Break: A period during the scheduled shift during which the employee remains on continual duty and is responsible for assigned duties.
- 3.12 Strike: Concerted action in failing to report for duty, the willful absence from one's position, the stoppage of work, slowdown, or abstinence in whole or in part from the full, faithful and proper performance of the duties of employment for the purposes of inducing, influencing or coercing a change in the conditions or compensation or the rights, privileges or obligations of employment.

ARTICLE 4. NO STRIKE

- 4.1 The Union and employees covered by this Agreement agree that during the life of this Agreement they will not cause, encourage, participate in or support any strike, slow-down or other interruption of or interference with the normal functions of the Employer.
- 4.2 An employee who engages in the conduct prohibited in Article 4.1 shall be deemed to have engaged in an illegal strike. Any employee who engages in an illegal strike shall be subject to disciplinary action up to and including discharge.

ARTICLE 5. EMPLOYER AUTHORITY

- 5.1 The Employer retains the full and unrestricted right to operate and manage all employee, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules and to perform any inherent managerial function not specifically limited by this Agreement.
- 5.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish or eliminate.

ARTICLE 6. UNION SECURITY

- 6.1 The Employer shall deduct from the wages of an employee who authorizes such a deduction in writing an amount sufficient to provide the payment of dues established by the Union. Such monies shall be remitted as directed by the Union.
- 6.2 Each month the Employer will send to the Union office a written list of names of current bargaining unit members and the amount of dues withheld, and a notice of new employees and those exiting the unit.

- 6.3 The Union may designate no more than two (2) members of the bargaining unit to act as steward(s) and/or alternate steward(s) and shall inform the Employer in writing of such choice and changes in the position of steward and/or alternate. Those designated as steward and/or alternate will be allowed time off scheduled duty to participate in negotiations with the Employer without loss of pay.
- 6.4 The Employer shall make space available on the Employer bulletin board for posting Union notice(s) and announcement(s).
- 6.5 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.

ARTICLE 7. EMPLOYEE RIGHTS – GRIEVANCE PROCEDURE

- 7.1 Definition of a Grievance. A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.
- 7.2 Union Representatives. The Employer will recognize representatives designated by the Union as the grievance representative(s) of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.
- 7.3 Processing of a Grievance. It is recognized and accepted by the Union that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall, therefore, be accomplished during normal working hours only when consistent with such employee's duties and responsibilities. The aggrieved employee and Union representative(s) shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided that the employee and the Union representative(s) have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.
- 7.4 Procedure. Grievances, as defined in Section 7.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within twenty-one (21) calendar days after such alleged violation has occurred, present personally or through a Union representative such grievance in writing

to the employee's supervisor as designated by the Employer. The employee's supervisor will meet with the employee to discuss the grievance and give a written answer to such Step 1 grievance within twenty-one (21) calendar days after the meeting. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing by the Union setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, the remedy requested, and shall be appealed to Step 2 within ten (10) calendar days after the supervisor's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union to the Police Chief, and a meeting shall be scheduled as soon as practicable between the Police Chief, the aggrieved employee and the Union to discuss the grievance. The Police Chief shall give the Union the Employer's Step 2 answer in writing within ten (10) calendar days after the Step 2 meeting. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the Police Chief's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. If appealed, the written grievance shall be presented by the Union to the City Administrator, and a meeting shall be scheduled as soon as practicable between the City Administrator, the aggrieved employee and the Union to discuss the grievance. The City Administrator shall give the Union the Employer's answer in writing within ten (10) calendar days after the Step 3 meeting. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) calendar days following the City Administrator's final answer in Step 3. Any grievance not appealed in writing to Step 4 by the Union within ten (10) calendar days shall be considered waived.

Step 4. If the grievance is not resolved in Step 3 and the Union wishes to appeal the grievance, the Union shall, within ten (10) calendar days after receipt of the City Administrator's final answer in Step 3, petition the Bureau of Mediation Services (BMS) for the sole purpose of attempting to resolve the grievance in mediation. If no settlement is reached within twenty-one (21) calendar days following mediation, the Union may appeal to Step 5.

Step 5. A grievance unresolved in Step 4 and appealed to Step 5 by the Union shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971 as amended. The selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievances" as established by the Bureau of Mediation Services. However, a grievance arbitration for written disciplinary action, discharge or termination shall include the arbitrator selection procedures established in Minnesota Statute 626.892.

7.5 Arbitrator's Authority

- A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall

consider and decide only the specific issue(s) submitted in writing by the Employer and the Union and shall have no authority to make a decision on any other issue not so submitted.

- B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following close of the hearing or the parties agree to an extension. The decision shall be binding on both the Employer and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this Agreement and to the facts of the grievance presented.
- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the Employer and the Union provided that each party shall be responsible for compensating its own representative and witnesses. If either party desires a verbatim record of the proceeding, it may cause such a record to be made, providing it pays for the record and the cost in providing to the other party. If both parties desire a verbatim record of the proceedings, the cost shall be shared equally.

7.6 Waiver. If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof, within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the Employer and the Union.

7.7 Choice of Remedy. If, as a result of Step 4, the grievance remains unresolved, and if the grievance involves the suspension, demotion or discharge of an employee who has completed the required probationary period, the grievance may be appealed either to Step 5 of Article 7 or a procedure such as Civil Service, Veterans Preference or fair employment. If appealed to any procedure other than Step 5 of Article 7, the grievance is not subject to the arbitration procedure as provided in Step 5 of Article 7. An employee pursuing a statutory remedy under the jurisdiction of the EEOC is not precluded from also pursuing an appeal under this grievance procedure.

ARTICLE 8. SAVINGS CLAUSE

This Agreement is subject to the laws of the United States, the State of Minnesota, and the City of Hutchinson. In the event any provision of this Agreement is declared to be contrary to law by a court or state or federal administrative agency of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of this Agreement shall continue in full force and effect. The voided provision may be renegotiated at the written request of either party.

ARTICLE 9. SENIORITY

9.1 PROBATIONARY PERIOD: All original appointments shall be probationary and subject

to a probationary period of 2,080 hours after appointment. Any extended leave periods will extend the probationary period by the amount of the leave. During the probationary period, the City may at its sole discretion terminate an employee whose performance does not meet the required work standards. Such terminations are not subject to the grievance procedure.

- 9.2 **PROMOTIONAL TRIAL PERIOD:** All promotional appointments shall be probationary and subject to a trial period of 1,040 hours. Any extended leave periods will extend the trial period by the amount of the leave. During the trial period, the City may at its sole discretion demote an employee whose performance does not meet the required work standards. Such demotions are not subject to the grievance procedure.
- 9.3 **SENIORITY:** Seniority shall be determined by the employee's total length of employment with the police department and posted in an appropriate location. Classification seniority is determined by date of promotion.
- 9.4 Layoff shall be by classification within the department in inverse order of classification seniority. However, an employee about to be laid off shall have the right to bump (displace) the least senior employee in the applicable police officer's unit, provided the Employer determines the employee exercising bumping rights has previously held the position and is adequately qualified to perform the duties of the classification into which s/he is moving and s/he has greater seniority than the bumped employee.

ARTICLE 10. DISCIPLINE

- 10.1 The Employer will discipline employees who have completed the required probationary period in Article 9.1 for just cause only. Discipline will be in one or more of the following forms:
- a. Oral reprimand;
 - b. Written reprimand;
 - c. Suspension;
 - d. Demotion; or
 - e. Discharge.
- 10.2 A written reprimand, suspension, demotion or discharge of an employee may be appealed through the grievance procedure as contained in Article 7 of this Agreement, subject to the limitations set forth in Article 7.7, Choice of Remedy.
- 10.3 Oral reprimands will not be placed in an employee's personnel file and the Police Department Administration will document only the date, the existence of the oral reprimand, and brief subject of the oral reprimand. Written reprimands, suspensions, demotions, and discharges will be in written form.
- 10.4 Written reprimands, notices of suspension, notices of demotion, and notices of discharge which are to become part of an employee's personnel file shall be read and acknowledged by signature of the employee. The employee and the Union will receive a copy of such reprimand and/or notices.

- 10.5 Employees may examine their own individual personnel files at reasonable times under the direct supervision of the Employer.
- 10.6 An employee who is questioned by the Employer about a matter the employee reasonably believes may lead to his/her discipline shall have the right to request Union representation.
- 10.7 Grievances relating to this Article shall be initiated by the Union at Step 2 of the grievance procedure under Article 7.

ARTICLE 11. WORK SCHEDULES AND OVERTIME

- 11.1 The Employer is the sole authority in establishing work schedules.
- 11.2 This Article shall not be construed to provide a guarantee of the minimum or maximum number of hours of work per day or per week.
- 11.3 Employees shall receive overtime compensation at the rate of one and one-half (1-1/2) times their regular rate of pay for all hours worked in excess of forty (40) hours in a seven (7) day work period. The Employer may modify an employee's work schedule during the week to provide offsetting time off for time worked over a shift or to minimize overtime but in a manner that considers work requirements, the employee's preference, and safety. Paid sick leave is included as "hours worked" for purposes of calculating overtime.

If an employee has pre-approved vacation on the schedule and the employee is called out for an emergency, the employee may reduce their vacation usage by the equivalent amount or the call out time shall be paid at time and one-half (1-1/2).
- 11.4 All employees are required to work overtime as requested by their supervisors as a condition of continued employment. Refusal to work overtime may result in disciplinary action. Supervisors will make reasonable efforts to balance the personal needs of their employees when assigning overtime work.
- 11.5 Overtime will be calculated to the nearest fifteen (15) minutes.
- 11.6 Employees must receive prior authorization from the Employer's designated representative before working any overtime, except in cases of emergency or required duty related extension of shift.
- 11.7 Employees shall be permitted the option of banking overtime hours up to a maximum of 80 hours, rather than receiving overtime pay, at the discretion of the department head. Compensatory time must be used no more than twelve (12) months from the time it is earned. Employees shall give advance notice to the department head of desired dates for use of compensatory time and the department head shall determine whether requested dates allow for reasonable scheduling of work within the department. Compensatory time may be used to bring total paid hours only up to 40 in a week.

Employees shall be permitted to use earned time off and compensatory time in combination with vacation time subject to the discretionary approval of the City Administrator.

- 11.8 Neither the base rate nor overtime pay shall be pyramided, compounded, or paid twice for the same hours worked under any provision of this Agreement.
- 11.9 If a special event is cancelled within 24 hours of the event start time, the employee shall be given the option of working the hours for which the employee was scheduled to work the special event overtime.
- 11.10 The sergeant assigned as the investigative sergeant will receive a clothing stipend in the amount of \$250.00 per year. This provision shall be suspended and will not apply in 2022.
- 11.11 A shift differential of \$1.00 per hour shall be paid for all hours worked between 6:00 p.m. and 4:00 a.m. and all hours held over on that shift.

ARTICLE 12. COURT TIME

Employees who are required to testify in court related to their work during off-duty hours shall receive a minimum of two (2) hours pay at one and one-half times their base rate. This Article does not apply to an extension or early report to a regularly scheduled shift. If the employee is required to meet with the prosecuting attorney, the employee will receive pay at straight time provided the employee can adjust their shift. Employees shall be paid the two (2) hour minimum set forth herein if court is cancelled after 5:00 p.m. on the day before an employee is required to testify in court during off duty hours.

ARTICLE 13. INSURANCE

- 13.1 Health Insurance: For the duration of this Agreement, the Employer shall contribute the same amount as that contributed for the City's non-union employees toward a health insurance plan for eligible employees and their dependents. The Employer will meet and discuss any reduction in the aggregate value of benefits with the Union prior to implementing the change.
- 13.2 In the event the health insurance provisions of this Agreement fail to meet the requirements of the Affordable Care Act and its related regulations or cause the Employer to be subject to a penalty, tax or fine, the Union and the Employer will meet immediately to bargain over alternative provisions so as to comply with the Act and avoid any penalties, taxes or fines for the Employer.
- 13.3 Dental Insurance. For the duration of this Agreement, the Employer shall contribute the same amount as that contributed for the City's non-union employees toward a dental insurance plan for eligible employees and their dependents.
- 13.4 Life Insurance. The Employer will pay the full premium for life insurance coverage equivalent to one time the employee's annual pay up to a \$50,000 maximum.

13.5 Long-term Disability Insurance. The Employer will pay the full premium for the long-term disability insurance coverage for each employee. The cost of the premium is imputed as income to the employee and taxed accordingly.

ARTICLE 14. UNIFORMS

The Employer will provide approved uniform items at no cost to employees. In accordance with established procedures, the Employer will replace uniforms/equipment that has been worn out through normal use or damaged in the line of duty.

The Employer shall provide employees with a \$350.00 uniform allowance for 2022. Said uniform allowance shall sunset effective December 31, 2022.

ARTICLE 15. INJURY ON DUTY

Worker's compensation lost wages benefits are paid at two-thirds (2/3) of the employee's regular gross weekly wages on the date of the injury. The employee may use accrued sick leave, vacation leave, or compensatory time to make up the difference between the lost wage payment and regular gross wage as of the date of the injury. The total of the worker's compensation and any additional payment may not be greater than the employee's gross weekly wage at the time of the injury. The additional payment is not treated as taxable income for the employee, nor is the payment eligible for PERA contributions.

ARTICLE 16. HOLIDAYS

16.1 The following calendar days, and such other days as the council may fix, are paid eight (8) hour holidays for full-time employees. When a holiday falls on a Sunday, the following day is a holiday. When it falls on a Saturday, the preceding day is a holiday.

- | | |
|---------------------------|--|
| 1. New Year's Day | 7. Veterans' Day |
| 2. Martin Luther King Day | 8. Thanksgiving Day |
| 3. President's Day | 9. Thanksgiving Friday |
| 4. Memorial Day | 10. Christmas Day |
| 5. Independence Day | 11. 4-hour Individual Floating Holiday |
| 6. Labor Day | |

16.2 Employees assigned to nonrotating shifts who are scheduled to work on an observed holiday as set out in 16.1 shall be paid at a premium rate of one and one-half times (1 ½) their base rate for hours worked on the holiday and shall receive 8 hours of holiday pay. Nonrotating Employees assigned to work on an actual holiday that falls on a Saturday or Sunday will receive premium pay of one and one-half times (1 ½) their base rate for all hours worked on the actual holiday. The holiday premium rate will not be compounded or pyramided with the overtime rate set out in Article 11 of this agreement.

16.3 Employees assigned to rotating shifts shall be paid at a premium rate of one and one-half times (1 ½) their base rate for hours worked on the holiday and shall receive 84 hours extra pay per year in lieu of holidays, with payment made in December. If the actual holiday falls on a Saturday or Sunday, the premium rate of one and one-half times (1 ½) base pay

applies only to the hours worked on the actual holiday and not the observed. This payment shall be prorated for employees who are employed less than a full calendar year. If City offices are closed on Christmas Eve and non-union employees are provided with 4 hours of pay, then Sergeants shall receive an addition of 4 hours pay with payment made in December.

ARTICLE 17. VACATIONS

- 17.1 Vacation leave benefits shall be provided in accordance with the Vacation Leave with Pay policy set forth in the City Employee Handbook – Personnel Policy in effect as of August 2016.
- 17.1.1 Upon hire, vacation shall accrue each pay period at a rate of 80 hours per year. After three months of continuous service, vacation leave may be used as it is earned, subject to approval by the employee's supervisor.
- 17.1.2 After completion of seven years of continuous service, an additional lump sum of 40 hours vacation shall be granted. Vacation then accrues at the rate of 120 hours per year.
- 17.1.3 After completion of twelve years of continuous service, an additional lump sum of 40 hours vacation shall be granted. Vacation then accrues at the rate of 160 hours per year

ARTICLE 18. SICK LEAVE/BEREAVEMENT

- 18.1 Sick leave and Bereavement leave shall be provided in accordance with the Sick/Bereavement Leave policy set forth in the City Employee Handbook – Personnel Policy in effect as of August 2016.
- 18.2 Sick leave shall accrue at eight hours per month, up to a maximum of 720 hours.
- 18.2.1 After the accumulation of 720 hours of sick leave, a payout of one-third of the amount of sick leave over 720 hours will be made annually on or about February 1. No further payment of sick leave will be made on termination or separation of employment.
- 18.2.2 On qualified retirement or upon death before retirement, a payout of one-third of the amount of sick leave over 240 hours will be made.
- 18.3 A maximum of five days sick leave may be allowed when necessary in the case of death in the legally recognized immediate family.
- 18.3.1 Immediate family is defined as husband, wife, son, stepson, son-in-law, daughter, stepdaughter, daughter-in-law, grandchild, father, mother, sister, brother, father-in-law, mother-in-law, grandfather, or grandmother.

ARTICLE 19. WAGES

For the term of this Agreement, compensation will be administered in accordance with the City of Hutchinson Compensation Plan. If the City plans to modify the Merit Increase Guide for Open Salary

Ranges, the City will meet and confer with the Union. There shall be a 7% adjustment to the Pay Grid effective the first day of the first pay period following January 1, 2022. Employees who terminate employment prior to the date this Agreement is ratified by both parties shall not be eligible for retroactive wage increases provided in accordance with this Article. All employees to be eligible for all increases regardless of whether discipline has been imposed.

Employer will reimburse employee for POST licensing fee.

ARTICLE 20. WAIVER

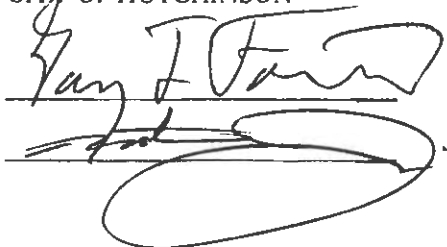
- 21.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.
- 21.2 The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this Agreement for the stipulated duration of this Agreement. The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. The Employer and the Union for the duration of this agreement agree that the other party shall not be obligated to meet and negotiate over any term and condition of employment whether addressed or not addressed in this Agreement, unless mutually agreed to by the parties.

ARTICLE 21. DURATION

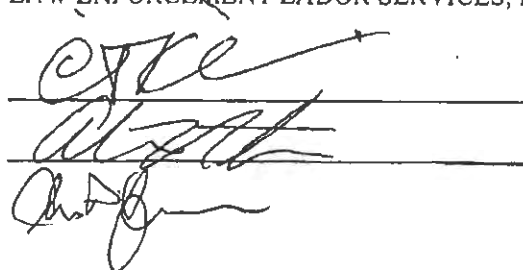
This Agreement shall be effective as of January 1, 2022, except as herein noted, and shall remain in full force and effect until December 31, 2022.

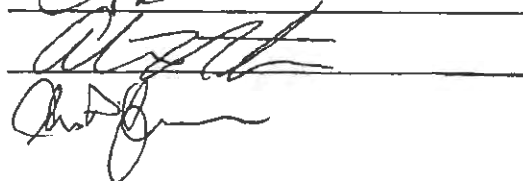
In witness whereof, the parties hereto have executed this Agreement on the 23 day of March, 2022.

CITY OF HUTCHINSON



LAW ENFORCEMENT LABOR SERVICES, INC.





Additional MOU'S

MEMORANDUM OF UNDERSTANDING
Between
CITY OF HUTCHINSON
and
LAW ENFORCEMENT LABOR SERVICES, INC.

Contributions to
Post Employment Health Care Savings Plan

This Memorandum of Understanding is entered into between the City of Hutchinson (hereafter "City") and Law Enforcement Labor Services, Inc. (hereafter "Union").

WHEREAS, the City and the Union are parties to a collective bargaining agreement; and

WHEREAS, Minn. Stat. § 352.98 allows the City to sponsor a post employment health care savings program that allows employees to save money to pay medical expenses and/or health insurance premiums after termination of public service.

NOW, THEREFORE, the parties hereto agree as follows:

1. From January 1, 2022, through December 31, 2022, eligible employees shall contribute 100% of the existing severance benefit that is due the employee based on Article 18.2.2 of the contract to the employee's Post Employment Health Care Savings Plan upon separation of employment as follows:

% Sick Leave Severance

All employees eligible for retirement severance payments as outlined in Section 14 (Sick Leave) of the City of Hutchinson Employee Handbook – Personnel Policy that discusses sick leave retirement severance eligibility and-or calculations will contribute to the Post Employment Health Care Savings Plan as described below:

100% of employee sick leave retirement severance to the HCSP.

% Retirement Incentive Program Severance

All employees eligible for a retirement incentive severance payment outlined in the 2010 Hutchinson City Council Retirement Incentive Program and any subsequent Programs will contribute to the Post Employment Health Care Savings Plan as described below:

75% of employee retirement incentive severance payment based on years of service to the HCSP and shall receive 25% in cash.


100% of the retirement severance payment representing the cost of one week of employer provided health and dental insurance premium for each year of employment and 100% of the retirement severance payment in the amount equal

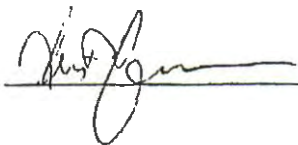
to six (6) months of employer provided health and dental insurance premiums of to the HCSP.

100% of the payment of the annual sick leave payout per section 14 of the Personnel policy for the retirement incentive program participants who work through December 31 of the year in which the incentive is offered.


2. These severance benefits will be deposited into an employee's Post Employment Health Care Savings Plan account administered by the Minnesota Post Employment Health Care Savings Plan established under Minn. Stat. § 352.98 and as outlined in the Minnesota State Retirement System's (MSRS) Trust and Plan Documents.
3. Any description of benefits contained in this Memorandum of Understanding is intended to be informational only. The management of contributed funds into the Post Employment Health Care Savings Plan is the responsibility of the Plan Administrator, Minnesota State Retirement System (MSRS), the State Board of Investment, their agents, employees or subcontractors and/or the investment option provider selected by the employee. The City's only obligation is to deposit accrued monies as outlined by this Memorandum. The City has no other responsibilities or obligations and no other claims can or shall be made against the City pursuant to this Memorandum.
4. The Union agrees to indemnify and hold harmless the City, its agents, officers and employees from any and all claims, causes of action, suits, demands, judgments of any nature, liabilities, losses, damages, costs, and expenses including reasonable attorney's fees, arising out of the actions or inactions of the Plan Administrator, Minnesota State Retirement System (MSRS), the State Board of Investment, their agents, employees or subcontractors and/or the investment option provider selected by the employee.
5. This Memorandum of Understanding represents the full and complete agreement between the parties regarding this matter.


FOR THE UNION:





FOR THE CITY:





**RESOLUTION NO. 15436
CITY OF HUTCHINSON**

**Resolution Approving the Implementation of the Labor Agreement between
the City & Law Enforcement Labor Services, Inc.
Representing Hutchinson Police Department Sergeants LOCAL #458
and the Memorandum of Understanding Regarding
Contributions to the Post Employment Health Care Savings Plan**

WHEREAS, the Law Enforcement Labor Services, Inc. Local #458 is the exclusive representative for certain licensed police sergeant employees ("the bargaining unit") employed by the City of Hutchinson ("the City"); and

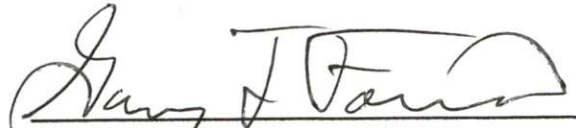
WHEREAS, the City and the bargaining unit have met and negotiated terms of the existing collective bargaining agreement for the Police Sergeant unit and have reached a tentative agreement that will be effective, if approved, January 1, 2022, and will expire December 31, 2022; and

WHEREAS, the attached document is the proposed collective bargaining agreement that has been approved by the Police Sergeant unit and that includes the Memorandum of Understanding (MOU) regarding contributions to the Post Health Care Savings Plan.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hutchinson hereby adopts the resolution and approves the attached collective bargaining agreement between the City of Hutchinson and Law Enforcement Labor Services, Inc. Local #458; and

BE IT FURTHER RESOLVED, that the City Council authorizes the Mayor and the City Administrator to execute the attached collective bargaining agreement and MOU.

Adopted by the Hutchinson City Council this 12th day of April, 2022.



Gary Forcier, Mayor

ATTEST:



Matt Jaunich, City Administrator