

FINAL FOR SIGNATURE

LABOR AGREEMENT

BETWEEN

THE CITY OF OAK PARK HEIGHTS

&

**THE AMERICAN FEDERATION OF STATE,
COUNTY, AND MUNICIPAL EMPLOYEES,
DISTRICT COUNCIL 5,
LOCAL 517**

January 1, 2017 through December 31, 2019

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ARTICLE 1: PURPOSE OF AGREEMENT

This agreement is entered into as of January 1, 2017, between the City of Oak Park Heights, hereinafter called the "Employer," and the American Federation of State, County, and Municipal Employees, Council 5, Local 517, hereinafter called the "Union."

It is the intent and purpose of this Agreement to:

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

The Employer and the Union, through this Agreement, shall continue their dedication to the highest quality of service to the residents of Oak Park Heights. Both parties recognize this Agreement as a pledge of this dedication.

ARTICLE 2: RECOGNITION

- 2.1 The Employer recognizes the Union as the exclusive representative, under Minnesota Statutes, Section 179A.03, Subd. 14 for all employees of the City of Oak Park Heights, excluding supervisory, confidential, police personnel and essential employees.
- 2.2 In the event the Employer and the Union are unable to agree as to the inclusion or exclusion in the bargaining unit 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:** The American Federation of State, County and Municipal Employees, Council 5, Local 517.
- 3.2 **Union Member:** A member of the American Federation of State, County and Municipal Employees, Council 5, Local 517.
- 3.3 **Full-Time Employee:** A member of the exclusively recognized bargaining unit who works a regular work schedule that averages forty (40) hours per week and is hired for a non-specific duration by the employer.

- 3.4 **Part-Time Employee:** A member of the exclusively recognized bargaining unit who works a regular work schedule that is on average less than forty (40) hours per week and more than fourteen (14) hours per week, or thirty-five percent (35%) of the normal work week in the employee's bargaining unit, and is hired for a non-specific duration by the employer. (MSA 179A.03, Subd. 14 (Employer)).
- 3.5 **Seasonal Employee:** A member of the exclusively recognized bargaining unit and is defined as a public employee under MN Statutes Section 179A, who works a regular full or part-time schedule for a specific duration annually by EMPLOYER and (1) who works more than sixty-seven (67) working days in any calendar year; or (2) more than one hundred (100) working days in the calendar year and the employees are under the age of twenty-two (22) years, are full-time students enrolled in a non-profit or public education institution prior to being hired by the EMPLOYER, and have indicated either in an application for employment or by being enrolled at an educational institution for the next academic year or term, an intention to continue as a student during or after their temporary employment. (MSA 179A.03, Subd. 14(f)).
- 3.6 **Temporary Employee:** An individual hired for a specific duration (1) not to exceed sixty-seven (67) working days in any calendar year; or (2) not for more than one hundred (100) working days in the calendar year and the employees are under the age of twenty-two (22) years, are full-time students enrolled in a non-profit or public education institution prior to being hired by the EMPLOYER, and have indicated either in an application for employment or by being enrolled at an educational institution for the next academic year or term, an intention to continue as a student during or after their temporary employment. (MSA 179A.03, Subd. 14(f)).
- 3.7 **Call-in Employee:** A person who is called in for specific projects and is hired for a non-specific duration of employment and who is not working a regular work schedule.
- 3.8 **Employer:** The City of Oak Park Heights.
- 3.9 **Union Steward:** Steward elected or appointed by the American Federation of State, County and Municipal Employees, Council 5, Local 517.
- 3.10 **Overtime:** Work performed at the express authorization of the Employer in excess of the employee's scheduled shift.
- 3.11 **Shift:** A consecutive work period including two (2) fifteen (15) minute rest breaks and a thirty (30) minute lunch break.
- 3.12 **Rest Break:** Two (2) fifteen (15) minute periods during the scheduled shift.
- 3.13 **Lunch Break:** A thirty (30) minute period during the scheduled shift.

- 3.14 **Strike:** Concerted action in failing to report for duty, the willful absence from a position, the stoppage of work, show-down or abstinence in whole or in part from the full, faithful and proper performance of the duties of employment for the purposes of including, influencing or coercing a change in the conditions, compensation, rights, privileges, or obligations of employment.
- 3.15 **Probationary Period:** That six (6) month period of time from the employee's date of hire until he/she becomes a regular employee.
- 3.16 **Base Rate Pay:** That wage rate paid to the employee, exclusive of such payments, as overtime, longevity, educational incentive, fringe benefits or premium payments.
- 3.17 **Intern:** An employee of the City of Oak Park Heights, who works on a temporary basis for educational credit or experience and shall not be included in a union.

ARTICLE 4: EMPLOYER SECURITY

- 4.1 The Union agrees that during the life of this Agreement, it will not cause, encourage, participate in or support any strike, slow-down or other interruptions of interference with the normal functions of the Employer.
- 4.2 The Employer shall institute no lockout during the life of this Agreement, provided the Union does not violate section 4.1 of this article.

ARTICLE 5: EMPLOYER AUTHORITY

- 5.1 The Employer retains the full and unrestricted right to operate and manage all manpower, 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 functions not specifically limited by this Agreement.
- 5.2 Any term and condition of employment not specifically established by this Agreement shall remain solely with the discretion of the Employer to modify, establish or eliminate.

ARTICLE 6: UNION SECURITY

- 6.1 The Employer shall deduct from the wages of employees who authorize such a deduction in writing, an amount necessary to cover monthly Union dues, or a fair share deduction, as provided in Minnesota State Statutes 179A.06, Subd. 3, if the employee elects not to become a member of the Union. Such monies shall be remitted as directed by the Union.

- 6.2 The Union may designate employees from the bargaining unit to act as steward and an alternate, and shall inform the Employer in writing of such choice and changes in the position of steward and/or alternate.
- 6.3 The Employer shall make space available on the employee bulletin board for the posting of Union notices and announcements.
- 6.4 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgment 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.
- 6.5 The Employer shall provide the Union with the names and addresses for all newly hired Bargaining Unit employees at the time of hire.
- 6.6 The Employer shall deduct from the wages of employees who authorize such deduction in writing, an amount designated by the employee for participation in the Union's P.E.O.P.L.E. check-off program. Such monies shall be remitted as directed by the Union.

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 representatives of the bargaining unit, having duties and responsibilities as established by this Article. The Union shall notify the Employer in writing of the names of such Union Representatives and or their successors when so designated, as provided in section 6.2 of this Agreement.
- 7.3 Processing of a Grievance: It is recognized and accepted by the Union and the Employer 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 working hours only when consistent with such Employee duties and responsibilities. The aggrieved Employee and a Union Representative 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 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 of the Employer.
- 7.4 Procedure: Grievance, 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 such grievance to the employee's supervisor as designated by the Employer. The Employer designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing, setting forth the nature of the grievance, the facts on which it is based, the provision(s) of the Agreement allegedly violated, the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer designated representative'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 and discussed with the Employer's designated Step 2 representative. Submitting the grievance to mediation preserves the timeliness for Step 3 of the grievance procedure. Any grievance not appealed, in writing, to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3: A grievance unresolved in Step 2 and appealed to Step 3 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 Public Employment Relations Board.

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 or issues submitted in writing to 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(s) shall be submitted in writing within thirty (30) calendar days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decisions(s) 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 representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such record to be made providing it pays for the recording. 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 at each step.
- 7.7 **Election of Remedies:** It is specifically understood that any matters governed by statutory provisions or personnel rules, except as expressly provided for in this Agreement, shall not be considered grievances under this Agreement. If by law an appeal procedure, other than the grievance procedure contained herein is available for the resolution of a dispute arising from any provision covered by this Agreement and the aggrieved party pursues the dispute through such appeal procedure provided by law, the aggrieved Employee(s) shall be precluded from making an appeal under this grievance procedure.

ARTICLE 8: SAVINGS CLAUSE

- 8.1 This Agreement is subject to the laws of the United States, the State of Minnesota, and the City of Oak Park Heights. In the event any provision of this Agreement shall be held to contrary law or by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provisions shall be voided. All other provisions of this Agreement shall continue in full force and effect. The voided provisions shall be re-negotiated at the written request of either party.
- 8.2 In the event the compensation provisions of this Agreement are found to be in violation of the Minnesota Local Government Pay Equity Act by the Commissioner, Department of Employee Relations, State of Minnesota, from whose final decision and no appeal is taken, at the written request of either of them, enter into negotiations to bring such provision(s) into compliance therewith.

ARTICLE 9: SENIORITY

- 9.1 Seniority shall be determined by the employee's length of continuous employment with the City and posted in an appropriate location. Seniority rosters shall be maintained by the Employer on the basis of time with the City and time within a specific classification.
- 9.2 During the six (6) month probationary period, a newly hired or rehired employee may be discharged at the sole discretion of the Employer. During the probationary period, a promoted or assigned employee may be replaced in his/her previous position at the sole discretion of the Employer.

- 9.3 A reduction in the work force will be accomplished on the basis of seniority. Employees shall be recalled from lay off on the basis of seniority. An employee on lay off shall have an opportunity to return to work within two (2) years of the time of his/her lay off before any new employee is hired.
- 9.4 Vacation period shall be selected on the basis of seniority until March 15th of each calendar year.
- 9.5 Employees hired as full-time, seasonal employees earn pro-rated vacation and sick leave pay. At the end of their season any unused vacation pay will be cashed out to employee and any unused sick leave accrued will be banked to be added to next season's accrual in the event that the employee is hired back for a second consecutive season. Accumulated sick leave may not exceed six (6) days. In the event the employee is not hired back for a second consecutive season the pro-rated, accrued, unused sick leave will be lost.

ARTICLE 10: DISCIPLINE

- 10.1 The Employer will discipline employee(s) 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 Suspensions, demotions and discharges shall be in written form.
- 10.3 Any discipline imposed shall be done in the privacy of the supervisor's office, and not in public.
- 10.4 Written reprimands, notices of suspension 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. Employee will receive a copy of such reprimand and/or notice. Employee may submit a written explanation disagreeing with any disciplinary action.
- 10.5 Employee may examine their own individual personnel file at reasonable times under the direct supervision of the Employer.
- 10.6 Prior to discharge an employee, the Employer shall notify the employee and the Union in writing that the employee is to be discharged, the reason(s) therefore, the employee's right to a hearing in accordance with this Article, and the effective date of discharge. The employee may request an opportunity to hear an explanation of the evidence against him/her, and to present his/her explanation or issues and circumstances related to the employee's discharge to the Employer's representative. The employee is entitled to Union representation at such meeting, upon request.

The right to such meeting shall expire at the end of the scheduled workday after the Notice of Discharge is delivered to the employee, unless the Employer and the employee agree otherwise. The employee shall remain in pay status during the time between Notice of Discharge and the expiration of the meeting.

- 10.7 Employees will not be questioned concerning an investigation of disciplinary action unless they have been advised that they have the opportunity to have Union Representative present at such questioning.
- 10.8 Grievances relating to the Article shall be initiated by the Union in Step 2 of the grievance procedure under Article 7.

ARTICLE 11: WORK SCHEDULE

- 11.1 The sole authority for work scheduled is with the Employer. The normal workday for a full-time employee shall be eight (8) hours. The normal work week shall be forty (40) hours, Monday through Friday.
- 11.2 The normal work year is two thousand and eight (2,080) hours, to be accounted for by each employee through:
 - A. Scheduled hours or work in assigned shifts;
 - B. Assigned training;
 - C. Authorized leave time; or
 - D. Holidays.
- 11.3 Service to the public may require the establishment of regular shifts for some employees on a daily, weekly, seasonal, or annual basis other than the employee's normal workday. The Employer shall give seven (7) days advance written notice to the employee(s) affected by the establishment of workdays different from the employee's normal workday.
- 11.4 In the event that work is required because of unusual circumstances such as (but not limited to) fire, flood, snow, sleet or breakdown of municipal equipment or facilities, no advance notice need be given. It is not required that an employee working other than the normal workday be scheduled to work more than the workday; unless, per their job description, they are required to call-backs in their departments.
- 11.5 Service to the public may require establishment of regular work weeks that schedule work on Saturdays and/or Sundays.
- 11.6 Nothing contained in this or any other article shall be interpreted to be a guarantee of a minimum or maximum number of hours the Employer may assign employees.

ARTICLE 12: OVERTIME

- 12.1 Employees will be compensated at one and one-half (1-1/2) times the employee's regular rate of pay for hours in excess of the employee's regularly scheduled shift. Compensated leave, consisting of work hours, vacation hours, sick leave hours and holiday hours shall be considered hours worked for the purpose of this Article.
- 12.2 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded or paid twice for the same hours worked.
- 12.3 Overtime shall be calculated to the nearest fifteen (15) minutes. Any time worked over eight (8) hours a day and forty hours per week will be considered overtime.
- 12.4 Employees shall be entitled to take compensatory time in lieu of overtime pay, for hours worked over eight (8) hours per day, forty (40) hours per week, subject to the prior review and approval of their supervisor. Compensatory time shall be taken in the calendar year earned, and shall not be carried over to the subsequent year. Compensatory time may be accrued up to a maximum of forty hours. Unused compensatory time shall be cashed out on the first pay period of each year.

ARTICLE 13: ON-CALL / CALL-BACK

13.1 On-Call:

- 13.1.a. Public Works employees will regularly rotate being on-call during weekends and holidays and shall receive (1) hours overtime for each day the employee is considered to be on-call. On-call pay is in addition to call-back pay.
- 13.1.b. Public Works Employees shall receive on-call pay for weekends, holidays, or when designated as the Public Works Emergency Contact. Normally this duty is the responsibility of the Public Works Director. Employees need to be told they are on-call.

13.2 Call-Back:

- 13.2.a. A Public Works employee who is called back to duty during his/her scheduled off-duty time shall receive a minimum of two (2) hours pay at one and one-half (1-1/2) times the employee's regular rate of pay. Call-back which takes more than two (2) hours shall be compensated at one and one-half (1-1/2) time the employee's regular rate of pay.

Regular weekend Public Works duties such as pump checks shall be compensated with three (3) hours pay for such work.

- 13.2.b. An extension or early report to a regularly scheduled shift for duty does not qualify the employee for the three (3) hours minimum call-back pay.
- 13.2 **Shift Differentials:** In addition to the established rates of pay, the Employer shall pay an hourly premium of \$1.25 to all employees for all hours worked outside the normally scheduled work shift, when the employee works at least four (4) hours within that time span. Employees requesting work shifts outside the normally scheduled work shift are not eligible for shift differential.

ARTICLE 14: WORKING OUT OF CLASSIFICATION

- 14.1 Employees assigned by the Employer to assume the full responsibilities and authorities of a higher job classification for ten (10) or more working days shall receive the salary schedule of the higher classification. The additional pay begins after the tenth (10th) working day.

ARTICLE 15: SALARY SCHEDULE

- 15.1 The salary schedule for employees under this Contract as set forth in Appendix A, subject to Article 15.2.
- 15.2 Full-time, seasonal employees will progress through the pay scale based on accumulated hours worked from season to consecutive season worked.
- 15.3 Wages shall increase by 2.75% for 2017, 2.75% for 2018 and 2.75% for 2019 effective January 1 of each year. (See Appendix A).

ARTICLE 16: HOLIDAYS

- 16.1 Employer grants to each employee twelve (12) paid holidays per year, including one (1) floating holiday as selected by the employee and subject to the approval of their supervisor.

Paid holidays being as follows:

New Year's Day	Veteran's Day
Martin Luther King Jr. Day	Thanksgiving Day
President's Day	Day after Thanksgiving Day
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	
(1) Floating - Employee selected, subject Supervisor approval	

- 16.2 Should a two-day holiday fall partially or fully on a weekend, those holidays shall be taken the day preceding the first holiday and the next workday following the

second holiday. If Christmas Eve falls on a Friday, the Christmas Day holiday will be observed on the following Monday.

- 16.3 Any employee required to work on a holiday listed in section 16.1 shall receive an additional one-half (1/2) time pay for all hours worked on that shift in addition to regular pay and holiday pay.

ARTICLE 17: VACATIONS

- 17.1 The Employer grants to each employee paid vacation as per the following schedule:

<u>Years of Service</u>	<u>Vacation Days Granted Per Year</u>
0-5	10 working days (5/6 day per month)
6-10	15 working days (1-1/4 day per month)
11-15	20 working days (1-2/3 day per month)
16 +	One (1) additional day/year to max of 25 days/year

- 17.2 Employees shall earn vacation during the probationary period, but shall not use vacation leave without the approval of the Employer.
- 17.3 Employees shall accrue vacation leave to a maximum of 328 working hours after which such hours shall be forfeited by the Employee.
- 17.4 Vacation leave may be used as earned, provided that the Supervisor shall approve the requested time.
- 17.5 Any employee leaving City employment shall receive unused accumulated vacation leave if said employee has given proper notice of fourteen (14) days.
- 17.6 In addition to the vacations set forth in section 17.1, after two (2) years service with the City, regular employees shall be granted two (2) days personal leave with pay to take care of personal business that can only be taken care of during normal working hours. Said leave will be non-accumulative and subject to the prior approval of the supervisor.

ARTICLE 18: SICK LEAVE

- 18.1 The Employer grants to each employee paid sick leave at the rate of one (1) day per month for each month of employment, or major fraction thereof.
- 18.2 Employees shall earn sick leave during the probationary period, but shall not use sick leave without the approval of the Employer.
- 18.3 Employees that utilize sick leave for more than three consecutive work days shall provide evidence of such illness via the provision of medical doctor's written communication to the City confirming such illness and when the employee is

anticipated to return. This documentation must be provided prior or concurrently with the employee returning to work.

- 18.4 Each employee, in order to be eligible for sick leave pay, shall report to the supervisor or his /her duly appointed assistant at his/her office, prior to the start of his/her scheduled shift, the reason for the use of the sick leave.
- 18.5 Each employee shall keep the department informed of his/her condition if an absence is more than one (1) day.
- 18.6 For serious illness in the immediate family, sick leave shall be granted for a period not to exceed three (3) working days, with prior approval from the department head. Immediate family shall be defined under this clause as husband, wife, son, daughter, father, mother, sister, brother, father or mother-in-law, step-father, step-mother, step-sister, step-brother, step-daughter or step-son.

ARTICLE 19: BEREAVEMENT PAY

- 19.1 When necessary, and upon approval by the Employer, up to five (5) days of sick leave, with pay may be used in case of death in the family. The degree of relationship includes husband, wife, son, daughter, father, mother, sister, brother, father or mother-in-law, stepfather, stepmother, stepsister, stepbrother, step-daughter or stepson.

ARTICLE 20: INSURANCES

20.1 HEALTH PLANS:

See Appendix B.

20.2 DENTAL PLANS:

The City shall execute an agreement with Delta Dental (or other competent provider) that is anticipated to offer dental coverage benefits and at rates found as are/were in effect as of December, 2016 and would be prospectively effective from January 1st 2017 through December 31st, 2019.

For such dental coverages offered through 2016, the Employee shall pay thirty (30%) percent toward the premium of Family Annual Dental Insurance and twenty-four (24%) percent toward the premium of Single Dental Insurance. The Employer shall pay the balance of the premium not paid by the employee. These percentages shall continue to remain in effect through December 31st, 2019.

As rates and or plan changes become available, typically in the 4th Quarter of each year, the City shall attempt in good-faith to provide reasonable notice prior to any discontinuation, changes or possible supplementation of any coverages for any

prospective year. The Union shall also regularly communicate with City staff so as to also monitor possible benefit changes, their timelines and impacts. The City shall have the right to amend the coverage plans the City deems reasonably necessary to ensure plan or coverage continuity, but such changes may not materially alter the coverages offered nor the cost share allocations.

- 20.3 The City shall provide a minimum life insurance policy of \$50,000.00 for all eligible employees and pay the monthly premiums.

ARTICLE 21: LEAVES OF ABSENCE

- 21.1 **Personal Leave of Absence:** Upon request of any employee, a leave of absence without pay may be granted by the City Administrator. Such leaves of absence shall not exceed a period of ninety (90) calendar days, provided that the leave may be extended beyond such period if the leave of absence is for continued disability, or other good and sufficient reasons, but in no case exceed one (1) year. Leaves of absence for medical reasons shall be granted with continued medical with continued medical, health and dental contributions being made by the City for a period up to ninety (90) calendar days. After ninety (90) calendar days and up to one (1) year, group insurance shall be available to employees at employee's expense.

ARTICLE 22: FAMILY AND MEDICAL LEAVE ACT

- 22.1 An employee must have been employed by the City for at least twelve (12) months and have worked at least one thousand two hundred and fifty (1,250) hours in the twelve (12) months preceding the commencement of the leave. An eligible employee is entitled to twelve (12) weeks leave during any twelve (12) month period commencing with the first date family or medical leave is taken for the following reasons:
- A. Birth of a son or daughter or placement of a son or daughter for adoption or foster care. Such leave may be taken within twelve (12) months after birth or placement. There is no maximum age limit for adoption or foster care placement
 - B. To care for a spouse, son, daughter, or parent who has a serious health condition.
 - C. Because of a serious health condition making the employee unable to perform the essential functions of their positions.

Thirty (30) days written notice is required if the leave is foreseeable. Health insurance coverage will be maintained at the same level and under the same terms as if the employee continued working. Arrangements for payment of the employee's portion of the premium must be made by the employee through the personnel office. Family and medical leave may be taken in increments up to the full twelve (12) weeks and as small as one (1) hour,

depending on the circumstances. Employees are eligible to draw down accumulated sick leave and vacation leave while on FMLA leave. After, FMLA leave shall be without pay.

ARTICLE 23: POST EMPLOYMENT HEALTH CARE SAVINGS PLAN

- 23.1 The City will maintain a Post-Retirement Health Insurance Plan consistent with State and Federal regulations. All costs and responsibilities associated with such plan shall be paid in full by the Employees. At no-time shall this plan and its benefits become the financial responsibility of the Employer. The Employees shall provide the City with its desired selections.

ARTICLE 24: TRAINING & TUITION REIMBURSEMENT

- 24.1 The Department Head will post announcements of those special training schools to which employees may be sent. Selection of attendees will be made by the supervisor. In addition, employees may request to attend training to their supervisor. The supervisor and the City Administrator will approve or deny all training requests. The City shall pay the training costs, including the employee's salary, mileage, parking fee, if any, and meals if employee is unable to leave the training location for meal break while attending the approved training. If training is out of town, the City shall pay for meals and lodging in addition to the above listed expenses. The City will pay for those classes necessary to maintain such certifications as are required by the job.
- 24.2 The City shall reimburse one hundred percent (100%) of an employee's cost for tuition for educational classes. Tuition shall be defined as those fees specifically defined as tuition and fees defined as part of tuition by a learning institution and non-negotiable by the student. Fees outside of those determined as part of the tuition fee and related fees, per credit shall not be deemed tuition and shall not be reimbursed.
- 24.3 For any AFSCME employees hired after December 31st, 2010, the tuition Reimbursement shall be capped at fifty percent (50%). This 50% cap shall apply to any AFSCME employee(s) that is not employed in a regular, full-time position with the City as of December 31st, 2010.
- 24.4 Reimbursement is subject to the following conditions:
- A. Employees must have the approval of their supervisor to take any classes for which tuition reimbursement is requested;
 - B. Employees must present written proof through a report card or similar method that he/she has passed the class, with a grade of "C" or higher or the equivalent.
 - C. Reimbursement will occur after the employee has presented proof of grade and/or passing to his/her supervisor.
 - D. Education must be job related.

ARTICLE 25: UNIFORMS & EQUIPMENT

25.1 The City shall provide all necessary uniforms and equipment as needed to carry out the required duties for the City.

25.2 Uniforms damaged in the course of employment requirements shall be replaced by the City at no cost to the employee

ARTICLE 26: SAFETY

26.1 The Employer adheres to the principle that employees should work in a safe environment. Accordingly, each employee has an obligation to observe safe working practices and to alert his/her supervisor to the existence of safety hazards. The City has an obligation to provide a safe work environment for employees which adhere to OSHA standards.

ARTICLE 27: SEVERANCE PAY

27.1 Upon retirement, being disabled so that employment must be terminated, or for termination of employment for reasons other than for cause, permanent employees who have completed 10 years of service with the City shall be entitled to 50% of the unused sick leave as severance pay. The severance payment shall not exceed a maximum of 75 days upon separation. In the case of employee's death, the beneficiaries of the deceased employee shall be entitled to 100% of the severance pay the deceased employee was entitled to at the date of his/her death.

27.2 In the event of a retirement from City employment by the employee, the employee shall provide thirty (30) calendar days to the City. Should the employee not be able to comply with this provision, the employee shall provide the City a written statement as to why compliance is not reasonably possible.

ARTICLE 28: INJURY ON DUTY

28.1 Any employee injured on duty shall receive up to twelve (12) months pay, without loss to any accrued sick leave or vacation leave, provided as follows:

- A. The employee reports the injury as soon as possible to the supervisor;
- B. The injury is of a nature which is covered by Worker's Compensation;
- C. If requested and paid for by the Employer, the employee shall submit to an examination by a competent medical practitioner, including drug and alcohol screening; and

- D. The employee shall report the annual amount of Worker's Compensation to the Employer. The Employer shall pay the employee the differences between Worker's Compensation and the employee's regular salary.

ARTICLE 29: LONGEVITY & EDUCATIONAL / HEALTH & WELLNESS INCENTIVE PAY

29.1 The Employer agrees to pay longevity pay as per the following:

- A. Effective January 1, 1985:

After four (4) years of service	3% of salary per month
After eight (8) years of service	5% of salary per month
After twelve (12) years of service	7% of salary per month
After sixteen (16) years of service	9% of salary per month

- B. Commencing in 2017 and continuing through 2019, the City will offer employees who receive Longevity Pay, an opportunity to earn an additional one percent (1%) in base salary per month if they pass and maintain the qualifications for a wellness program as established by the Employer for other employees, which includes: standardized fitness testing (using the APFT Standards), and application of related weight charts. Failure to meet or maintain the wellness program requirements set forth by the Employer shall result in revocation of the 1% additional pay for twelve (12) months unless the duration is shortened by the City. Any Longevity employee who seeks this additional wellness incentive must also meet and comply with any "no smoking/non-tobacco" use provision similar to non-longevity employees. Failure to comply with the "no-smoking/ non-tobacco" use provision will result in the revocation of the additional 1% wage incentive. Unless agreed upon in writing by the City, the benefits conveyed in this paragraph shall automatically sunset and terminate on December 31st, 2019.

If an employee is smoke/tobacco free, he/she is entitled to one percent (1%) of his/her base salary per month. If an employee uses tobacco, he/she shall lose the 1% incentive but shall also lose one percent (1%) of his/her salary per month for at least one month and continuing thereafter until the Employee provides written documentation to the City that they are smoke/tobacco free.

- C. A maximum of ten percent (10%) additional pay may be earned through the longevity and the additional wellness incentive pay or any combination thereof.

29.2 As an alternate to longevity pay, the Employer agrees to pay an educational/health and wellness incentive pay as per the following:

<u>Years of Post-High School Education</u>	<u>Salary Per Month</u>	<u>Total</u>
After one (1) year	2%	2%
After two (2) years	2%	4%
After three (3) years	2%	6%
After four (4) years	2%	8%

- A. The Employer agrees to pay an additional two percent (2%) if an employee receives a Masters Degree or completes an additional sixty (60) hours of accredited course work per year.
- B. At such time an employee achieves fifty percent (50%) of the next year's goal, the employee would be entitled to the next percentage of salary increase (i.e., the employee who achieves 2-1/2 years of post-high school education is therefore entitled to six percent (6%) of salary per moth).
- C. Fitness Pay: The physical tests shall consist of push ups, sit ups and the two (2) mile run, according to current APFT Standards (Army Physical Fitness Test). The employee must complete each test with at least the minimum score for his/her age group and gender. A comparable alternative test would be allowed if an employee could not do a particular test due to a specific injury. Completion of all three (3) physical tests with at least a passing minimum score and meeting required height/weight standards would entitle the employee to one percent (1%) of his/her salary per month.
- D. Wellness Pay: If an employee is smoke/tobacco free, he/she is entitled to one percent (1%) of his/her base salary per month. If an employee uses tobacco, he/she shall lose the 1% incentive but shall also lose one percent (1%) of his/her salary per month for at least one month and continuing thereafter until the Employee provides written documentation to the City that they are smoke/tobacco free.
- E. If an employee selects the educational / health and wellness incentive as outlined above, that choice is irrevocable and the employee would no longer be entitled to receive longevity incentive pay.
- F. A maximum of ten percent (10%) additional pay may be earned through the educational / health and wellness incentive pay.

ARTICLE 30: ADDITIONAL VACATION DAY

30.1 Any employee that maintains a sick leave balance of one hundred (100) days annually shall receive one (1) additional day of vacation pay per year.

ARTICLE 31: RIGHT OF SUBCONTRACT

- 31.1 Nothing in this Agreement shall prohibit or restrict the right of the Employer from subcontracting work performed by employees covered in this Agreement. No bargaining unit employees shall be laid off as a result of any decision to contract work performed by bargaining unit employee; however, the Employer may contract bargaining unit work if an employee leaves City employment.

ARTICLE 32: JURY DUTY

- 32.1 In the event an employee covered by this Agreement is called for jury duty or subpoenaed to appear as a witness in court, the employee shall give the Employer any payment received (less any meal or mileage allowance) in exchange for full wages from Employer for any days the employee served on jury duty.

ARTICLE 33: DEFERRED COMPENSATION PLAN

- 33.1 The City at its sole discretion, may offer a deferred compensation or retirement plan which is created due to the sole contribution of the employees of the City within a fund to be administered by the City or its designees pursuant to state and federal law. Any participating employee acknowledges that there is inherent risk of financial loss in the use of a deferred compensation plan and its related investments. Any employee who selects to participate in such plan does so at his/her sole risk. The City does not guaranty any specific rate of return.

ARTICLE 34: NON-DISCRIMINATION

- 34.1 No employee shall be discriminated against under the provisions of this Agreement by either the Employer or Union on any basis prohibited by law.
- 34.2 This Agreement shall comply with the Americans with Disabilities Act.

ARTICLE 35: WAIVER

- 35.1 Any an all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment to the extent inconsistent with the provisions of the Agreement are hereby superseded.
- 35.2 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 term or condition of employment not removed by law from bargaining. All agreements and understandings arrived by the parties are set forth in writing in this Agreement for the stipulated duration of this Agreement.


The Employer and the Union each voluntarily and unqualifiedly waive the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms and conditions may not have been within the knowledge or contemplation of either or both parties at the time this Agreement was negotiated or executed.

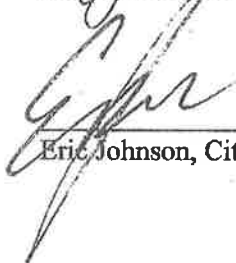
ARTICLE 36: DURATION

36.1 This Agreement shall be in effect from January 1, 2017 and shall remain in full force and effect until December 31, 2019 or until a new contract is signed with the exclusive representative of the Employer.

For


CITY OF OAK PARK HEIGHTS

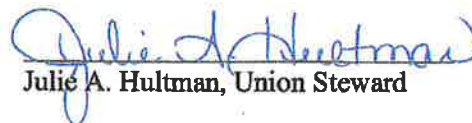

Mary McComber, Mayor


Eric Johnson, City Administrator

For

AFSCME COUNCIL 5, LOCAL 517


Suzanne Kocurek, Field
Representative


Julie A. Hultman, Union Steward

APPENDIX A: SALARY SCHEDULES

APPENDIX A: Salary Schedules

AFSCME SALARY SCHEDULE

Agreement A 2017-2019
2016 shows for Reference
2016 shows for Reference
(The annual increase over 2016 on 2.76% in each year - any discrepancy shall be corrected)

Classification	2016	2017	2018	2019
Receptionist	\$ 33,112.21	\$ 2,706.35	\$ 16.82	\$ 37,462.53
Police Comm. Oper.	\$ 40,630.73	\$ 3,389.23	\$ 18.44	\$ 44,208.54
Police Media Operator	\$ 39,853.25	\$ 3,326.44	\$ 19.21	\$ 43,500.85
Planning/Code Enr.	\$ 44,383.39	\$ 3,684.61	\$ 21.34	\$ 48,128.78
Building Official	\$ 67,882.44	\$ 4,828.54	\$ 27.85	\$ 73,218.53

Classification	2016	2017	2018	2019
Receptionist	\$ 34,022.80	\$ 2,835.23	\$ 16.38	\$ 38,883.20
Police Comm. Oper.	\$ 41,542.87	\$ 3,461.88	\$ 18.67	\$ 45,477.22
Police Media Operator	\$ 41,001.89	\$ 3,421.00	\$ 18.74	\$ 44,918.53
Planning/Code Enr.	\$ 44,603.94	\$ 3,803.22	\$ 21.42	\$ 48,118.88
Building Official	\$ 68,635.85	\$ 4,891.22	\$ 28.42	\$ 73,440.87

Classification	2016	2017	2018	2019
Receptionist	\$ 34,884.42	\$ 2,913.20	\$ 16.81	\$ 39,852.48
Police Comm. Oper.	\$ 42,884.06	\$ 3,557.08	\$ 20.82	\$ 46,782.95
Police Media Operator	\$ 42,180.88	\$ 3,515.07	\$ 20.28	\$ 45,208.73
Planning/Code Enr.	\$ 46,857.05	\$ 3,604.83	\$ 22.83	\$ 50,461.84
Building Official	\$ 61,173.09	\$ 5,097.79	\$ 28.41	\$ 66,912.10

Classification	2016	2017	2018	2019
Receptionist	\$ 35,618.78	\$ 2,993.32	\$ 17.27	\$ 41,061.18
Police Comm. Oper.	\$ 43,884.83	\$ 3,654.50	\$ 21.09	\$ 48,124.35
Police Media Operator	\$ 43,340.87	\$ 3,611.74	\$ 20.84	\$ 46,532.42
Planning/Code Enr.	\$ 48,148.54	\$ 4,012.21	\$ 23.15	\$ 52,024.42
Building Official	\$ 62,855.35	\$ 5,257.85	\$ 30.22	\$ 71,834.88

APPENDIX B – Health Care Agreement 2017-2019

Affix Agreement behind this page.

Health Care Agreement

Between the City of Oak Park Heights and Labor Unions of the City of Oak Park Heights

The City of Oak Park Heights ("the City") and the three Labor Unions (TEAMSTERS – Supervisors – Local 320, Law Enforcement Labor Services – Police Patrol - Local 382 and AFSCME – Local 517) ("the Unions") each agreed during the labor negotiations that all parties desired to explore continued health care opportunities, prevent the future implementation of a luxury tax or fee on premium costs and that would provide quality coverage but possibly result in cost savings for both the City and Employees. Pursuant to such agreements, subsequent discussions between the City and the Unions have been held in in good-faith resulting in this Agreement and which shall be a Health Savings Account (HSA) model.

1. The health care policy shall be the Health Partners "HSA – Gold Rx Plus 2000-100" – (Mayo Inclusive) plan as attached here to as Exhibit A and shall become the baseline Primary Benefit Standard (PBS) under a Health Savings Account protocol and as may be permitted by State and Federal Law. The PBS shall commence on January 1st, 2017 and be in effect until its replacement is agreed upon between the parties.
2. Neither the City nor the Union(s) may alter the PBS unless agreed to in writing. Necessary changes to the PBS due to changes in Federal or State law will be implemented as required including possible increases in deductible costs.
3. Such plan shall be operated through a Health Savings Account (HSA) system as may be permitted under State and Federal Law. The third-party administrator costs associated with administering the HSA are to be paid by the City but shall be limited to a maximum of \$5.00 per covered employee group or family unit, per month. Costs above the \$5.00 shall be the expense of the Employee.
4. Until such time as the HSA is discontinued by joint agreement of the City and Unions, or as a requirement of State or Federal Law, the following shall occur:
 - A. The City shall pay all 100 percent of the employee's Premiums up to the 2015 costs as outlined Exhibit B for the Primary Benefit Standard, non-smoking / non-tobacco rates only. Consistent with past practice, increases or adjustments (due to employee's age, inflation or other reasons required by Federal or State law) to Premiums above those 2015 costs shall be wholly apportioned on a 70% City / 30% Employee cost allocation. The Employee is at all times solely responsible for any Premium cost differentials due to smoking or tobacco use.

EXAMPLE for Clarification:

The City will pay \$302.05 towards the health insurance premiums for new hire in 2018 (their current age at the 2015 rate for that age). The same would apply to each dependent, if any. Any amounts over this shall be split 70% City / 30% Employee. In the following year, 2019 the City would pay the same 2015 amount of \$302.05 towards the health insurance premium and any amounts over this shall be split 70% City to 30%. The 2019 premium for this employee would be at age 31 for which the City would pay the first \$302.05 all remaining premium costs would be split 70% City and 30% Employee.


- B. The Employee is responsible for all Deductible costs up to \$4,500 for family and \$2,250 for single. Costs above these Deductibles amounts shall be split 70% to Employee and 30% to the City. Co-

pays or other related expenses not specifically mentioned in this Agreement shall be the responsibility of the Employee.

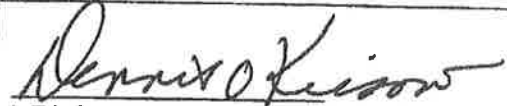
- C. The City shall pay a Deductible Benefit to all Employees to apply to their Deductible costs and shall be \$50.00 per month – totaling \$600 annually. The City shall pay an additional Deductible Benefit to single employees only in the amount of \$100.00 per month – totaling \$1,200 annually. The Deductible Benefit payments apply to Employees only, not per individual in each employee group or family unit. Should the Employee leave the City employment the Employee shall reimburse the City any remaining prorated amounts from the \$600 or \$1,200 payments, prorated monthly and/or the City may withhold from any final separation payments due to the Employee to refund the City.
 - D. The plan defined in 2017 as the "HSA –Gold Rx Plus 2000-100" found in Exhibit A contains deductibles of \$4,000 / \$2,000 (family /single) and such plan shall remain in place until changes or a replacement is agreed upon or modified by the Health Care provider due to changes in Federal or State law which can alter deductibles and premiums amounts to both parties and based upon required allocations. As it may be advantageous to one party and not the other to seek shifts in plans where costs are allocated differently, the City and all Unions each must unanimously agree to shift to an alternative plan.
 - E. The City shall pay the annual Deductible Benefits in a lump-sum payment by January 15 – or reasonably close thereto - of each year. Should the Employee leave City employment, the Employee shall reimburse the City a prorated monthly amount and/or the City may withhold from any final separation payments due to the Employee to refund the City.
- 5. For City Employees - as of June 1st, 2014, any existing persons (spouse, child, etc.) covered under the health care policy in 2014 under a "family definition" shall also benefit from this plan and the City shall pay the Premium costs and Deductible Benefit as defined under Section 4, under the HSA proposal until such time as: the employee leaves the City employment, the employee no longer requires coverage from the City or is not eligible for family coverage.
 - 6. The City will accept current employees onto this coverage plan consistent with State and Federal law, (e.g. period of open enrollment or should there be a "qualifying event"). For these current employees, Deductible Benefits would be prorated monthly and prospectively through the end of the current year. For new employees, the City will make a similar upfront Deductible Benefit contribution, prorated monthly and prospectively, through the end of the current year. Should the Employee leave (for any reason) City employment the Employee shall reimburse the City a prorated monthly amount and/or the City may withhold from any final separation payments due to the Employee to refund the City.
 - 7. The Employee may select to fully fund their required deductible amount (calculated after the application of any City provided Deductible Benefit). Such funding may be typically executed in the following methods or as permitted by State and Federal law:
 - a. The Employee may pay "out - of - pocket" with post-tax Employee derived funds.

- b. If not prohibited by State or Federal Law, the Employee may request (not later than Jan 15th of each year) that the City make an upfront deposit, called an Immediate Deductible Deposit (IDD) of the Employees share of the deductible; calculated as the deductible amount minus any applicable City paid Deductible Benefit, into the Employee's designated HSA account to provide immediate coverage for eligible HSA expenses. Any IDD paid by the City may not exceed \$3,000 for family and \$500 for single and shall be reimbursed to the City (or withheld by the City) by the Employee by December 31st of each year, through prorated payroll deductions. Should the Employee leave the City employment prior to this IDD being fully reimbursed to the City for any reason, the City may withhold any final separation payments to the Employee to cover the IDD upfront outlay or may seek other methods of collection. It is understood that except for the specifically defined Deductible Benefits paid by the City for the Employee, the IDD shall be fully reimbursed to the City.
8. Investment decisions made with any accrued HSA dollars are the sole responsibility of the employee and the City is not responsible to direct or insure these funds from possible loss.
9. This Primary Benefit Standard (defined above) shall be in place until such plan is required to re-bid pursuant to Minnesota and Federal Law. At such time the City and the Union shall be required to re-evaluate and renegotiate the policy, premium rates, deductible benefits, rates and other related terms and conditions. The City and the Union may agree to terminate this Primary Benefit Standard and alter other conditions, but must be negotiated and agreed upon by involved parties.
10. The City shall not be obligated to provide a health insurance policy and/or pay any health insurance premiums that may lead to the imposition of any penalty surcharge, luxury tax, "Cadillac tax" or other provision that increases costs to the City due to an imposed federal or state tax, surcharge, fee or other costs not currently imposed and in effect as of 12-31-13. Both the City and the Unions are responsible for proactively monitoring the Federal and State legislative landscape that continually impacts health care rates and delivery systems. Should a condition arise that would lead to the imposition of such penalty surcharge, luxury tax, "Cadillac tax" or other provision that increases costs to the City, to the extent that is practicable, the City and Unions shall collectively discuss options in advance of the City eliminating any policy. Upon the elimination of any policy by the City due to this form of penalty, the City shall fall back to the most similar benefit plan that is reasonably available that does not trigger such penalty and which shall include maintaining the equivalent cost sharing for premiums, deductibles or other costs between the City and the Unions.
11. With the execution of this document, any labor contract or ordinance language related to the delivery and expenses of health care (not dental) are wholly managed and governed under this Agreement.
12. The City and the Unions have negotiated this Agreement collectively, however should circumstances arise in which the City and any of the participating Unions have a legitimate grievable dispute regarding the direct or indirect effects of this Agreement, pursuant to the individual Labor Contracts, the City and the Unions agree that such disputes shall be deemed as "severable" from involvement of other participating Unions and that any final disposition of a dispute may not require approval of other Unions. Or, in the event the dispute is between the Unions, the City shall be held-harmless.

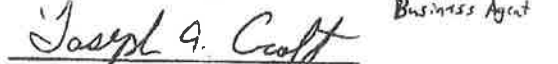
SIGNED and AGREED UPON to the provisions above and herein:



AFSCME - Local 517 - Steward

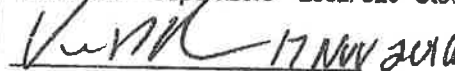

AFSCME Local 517 - Business Agent



L.E.L.S - Police Patrol - Local 382- Steward
Business Agent


L.E.L.S - Police Patrol - Local 382- Business Agent
Steward


Teamsters - Supervisors - Local 320- Steward

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Teamsters - Supervisors - Local 320- Business Agent


City of Oak Park Heights - Mayor

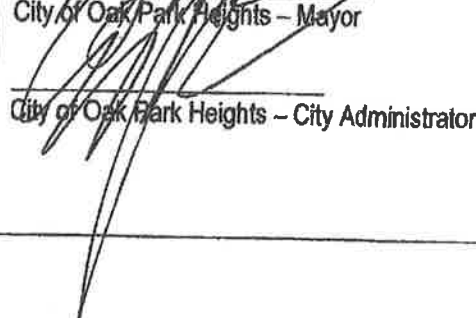

City of Oak Park Heights - City Administrator

EXHIBIT A to Health Care Agreement

Primary Benefit Standard: Health Partners – "HSA –Rx Plus Gold 2000-100" (1) plan.

Further Defined With: Summary of Coverage – P-SG-MNHSA2000-100Rx-17-E

(1) Changes in plan coverages may vary to a limited degree from year to year as may be required by the provider under this plan or defined by Federal or State requirements. The City, the Employees or Unions may not interject into what may or may not be covered under the scope of the plan.

HealthPartners: HSA Gold 2000-100 Rx Plus Summary of Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2017 - 12/31/2017
Coverage for: Single/Family | Plan Type: PPO



This is only a summary. If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at www.healthpartners.com or by calling 1-800-883-2177.

Important Questions	Answers	Why this Matters
What is the overall deductible?	In-network: \$2,000 Individual/\$4,000 Family contract Out-of-network: \$10,000 Individual/\$20,000 Family contract	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1 st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other deductibles for specific services?	No.	If you have other family members on the policy, the overall family <u>deductible</u> must be met before the plan begins to pay.
Is there an out-of-pocket limit on my expenses?	Yes. In-network medical/pharmacy: \$2,250 Individual/\$4,500 Family contract Out-of-network medical/pharmacy: \$30,000 Individual/\$60,000 Family contract	You don't have to meet <u>deductibles</u> for specific services, but see the chart starting on page 2 for other costs for services this plan covers.
What is not included in the out-of-pocket limit?	Premium, balance-billed charges (unless balanced billing is prohibited), and health care this plan doesn't cover.	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
Is there an overall annual limit on what the plan pays?	No.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Does this plan use a network of providers?	Yes. For a list of in-network providers, see www.healthpartners.com/net works or call 1-800-883-2177.	The chart starting on page 2 describes any limits on what the plan will pay for <i>specific</i> covered services, such as office visits. If you use an in-network doctor or other health care <u>provider</u> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <u>provider</u> for some services. Plans use the term in-network, <u>preferred</u> , or participating for <u>providers</u> in their <u>network</u> . See the chart starting on page 2 for how this plan pays different kinds of <u>providers</u> .

Questions: Call 1-800-883-2177 or visit us at www.healthpartners.com.

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.cclio.cms.gov and search for Glossary or call 1-800-883-2177 to request a copy.

HealthPartners: HSA Gold 2000-100 Rx Plus

Summary of Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2017 - 12/31/2017
Coverage for: Single/Family | Plan Type: PPO

Important Questions	Answers	Why this Matters
Do I need a referral to see a specialist?	No. You don't need a referral to see a specialist.	You can see the specialist you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 4. See your policy or plan document for additional information about excluded services .

- **Copayments** are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use in-network **providers** by charging you lower **deductibles**, **co-payments** and **co-insurance** amounts.

Common Medical Event	Services You May Need	Your cost if you use a		Limitations & Exceptions
		In-Network Provider	Out-Of-Network Provider	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	Primary Office Visit: 0% coinsurance Convenience Care: 0% coinsurance virtuwell: 0% coinsurance	Primary Office Visit: 50% coinsurance Convenience Care: 50% coinsurance virtuwell: Not covered	none
	Specialist visit	0% coinsurance	50% coinsurance	none
	Other practitioner office visit	0% coinsurance	50% coinsurance	none
	Preventive care/screening/immunization	No charge	50% coinsurance	none
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	50% coinsurance	none
	Imaging (CT/PET scans, MRIs)	0% coinsurance	50% coinsurance	none

Questions: Call 1-800-883-2177 or visit us at www.healthpartners.com.

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.cclio.cms.gov and search for Glossary or call 1-800-883-2177 to request a copy.

2 of 8
P-SG-MNHSA2000-100Rx-17-E

HealthPartners: HSA Gold 2000-100 Rx Plus **Summary of Coverage: What this Plan Covers & What it Costs**

Coverage Period: 01/01/2017 - 12/31/2017
 Coverage for: Single/Family | Plan Type: PPO

Common Medical Event	Services You May Need	Your cost if you use a		Limitations & Exceptions
		In-Network Provider	Out-Of-Network Provider	
<p>If you need drugs to treat your illness or condition</p> <p>More information about prescription drug coverage is available at www.healthpartners.com/geneticadvisor/agents</p>	Generic drugs	Formulary: 0% coinsurance Non-formulary: 20% coinsurance	Formulary: 50% coinsurance at retail, mail not covered Non-formulary: 50% coinsurance at retail, mail not covered	<p>31 day supply retail/ 93 day supply mail order. Select Preventive Drugs \$15 copay generic/\$50 brand, deductible does not apply.</p>
	Formulary brand drugs	0% coinsurance	50% coinsurance at retail, mail not covered	
	Non-formulary brand drugs	20% coinsurance	50% coinsurance at retail, mail not covered	
	Specialty drugs	0% coinsurance	50% coinsurance at retail, mail not covered	
	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	50% coinsurance	
<p>If you have outpatient surgery</p> <p>If you need immediate medical attention</p>	Physician/surgeon fees	0% coinsurance	50% coinsurance	none
	Emergency room services	0% coinsurance	50% coinsurance	none
	Emergency medical transportation	0% coinsurance	0% coinsurance	Out-of-network services apply to the in-network deductible.
<p>If you have a hospital stay</p> <p>If you have mental health, behavioral</p>	Urgent care	0% coinsurance	0% coinsurance	Out-of-network services apply to the in-network deductible.
	Facility fee (e.g., hospital room)	0% coinsurance	50% coinsurance	none
	Physician/surgeon fee	0% coinsurance	50% coinsurance	none
	Mental/Behavioral health outpatient services	0% coinsurance	50% coinsurance	none

Questions: Call 1-800-883-2177 or visit us at www.healthpartners.com. If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.cciio.cms.gov and search for Glossary or call 1-800-883-2177 to request a copy.

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 P-SG-MNHSA2000-100Rx-17-E

HealthPartners: HSA Gold 2000-100 Rx Plus **Summary of Coverage: What this Plan Covers & What it Costs**

Coverage Period: 01/01/2017 - 12/31/2017
 Coverage for: Single/Family | Plan Type: PPO

Common Medical Event	Services You May Need	Your cost if you use a		Limitations & Exceptions
		In-Network Provider	Out-Of-Network Provider	
health, or substance abuse needs	Mental/Behavioral health inpatient services	0% coinsurance	50% coinsurance	none
	Substance use disorder outpatient services	0% coinsurance	50% coinsurance	none
	Substance use disorder inpatient services	0% coinsurance	50% coinsurance	none
If you are pregnant	Prenatal and postnatal care	No charge	No charge for prenatal/50% coinsurance for postnatal	none
	Delivery and all inpatient services	0% coinsurance	50% coinsurance	none
If you need help recovering or have other special health needs	Home health care	0% coinsurance	50% coinsurance	120 visit limit
	Rehabilitation services	0% coinsurance	50% coinsurance	none
	Habilitation services	0% coinsurance	50% coinsurance	none
	Skilled nursing care	0% coinsurance	50% coinsurance	120 days per confinement
	Durable medical equipment	0% coinsurance	50% coinsurance	none
	Hospice service	0% coinsurance	50% coinsurance	none
If your child needs dental or eye care	Eye exam	No charge	50% coinsurance	none
	Glasses	0% coinsurance	Not covered	Limit of one pair of eyeglasses or contact lenses per year.
	Dental check-up	No charge	50% coinsurance	none

Excluded Services & Other Covered Services:

Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)	
<ul style="list-style-type: none"> • Acupuncture • Bariatric surgery • Cosmetic surgery with the exception of port wine stain removal and reconstructive surgery • Dental care (Adults) 	<ul style="list-style-type: none"> • Hearing aids • Infertility treatment • Long-term care • Private-duty nursing • Routine foot care • Weight loss programs

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HealthPartners: HSA Gold 2000-100 Rx Plus **Summary of Coverage: What this Plan Covers & What it Costs**

Coverage Period: 01/01/2017 - 12/31/2017
 Coverage for: Single/Family | Plan Type: PPO

Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)	
• Chiropractic care	• Non-emergency care when traveling outside the U.S.
	• Routine eye care (Adult)

Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a premium, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

For more information on your rights to continue coverage, contact the plan at 1-800-883-2177. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or www.dol.gov/ebsa, or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or www.ccoio.cms.gov.

Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. You can contact your plan at 1-800-883-2177. You can contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. For questions about your rights, this notice, or assistance, you can contact your state insurance department at the following: MN Dept of Health at 651-201-5100 / 1-800-657-3916 or the MN Dept of Commerce at 651-539-1600 / 1-800-657-3602.

Does this Coverage Provide Minimum Essential Coverage?

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." This plan or policy does provide minimum essential coverage.

Does this Coverage Meet the Minimum Value Standard?

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-866-398-9119.
 Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-883-2177.
 Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-883-2177.
 Navajo (Dine): Dinak'chgo shika at'ohwol niniisigo, kwijigo holne 1-800-883-2177.

Questions: Call 1-800-883-2177 or visit us at www.healthpartners.com.

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HealthPartners: HSA Gold 2000-100 Rx Plus
Summary of Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2017 - 12/31/2017
Coverage for: Single/Family | Plan Type: PPO

To see examples of how this plan might cover costs for a sample medical situation, see the next page.

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HealthPartners: HSA Gold 2000-100 Rx Plus Coverage Examples

Coverage Period: 01/01/2017 - 12/31/2017
Coverage for: Single/Family | Plan Type: PPO

About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is
not a cost
estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different. Cost sharing or "Patient pays" amounts are based on self-only coverage.

Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$5,340
- Patient pays \$2,200

Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
Total	\$7,540

Patient pays:

Deductibles	\$2,000
Copays	\$0
Coinsurance	\$0
Limits or exclusions	\$200
Total	\$2,200

Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$3,320
- Patient pays \$2,080

Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
Total	\$5,400

Patient pays:

Deductibles	\$2,000
Copays	\$0
Coinsurance	\$0
Limits or exclusions	\$80
Total	\$2,080

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P-SG-MNHSA2000-100Rx-17-E

HealthPartners: HSA Gold 2000-100 Rx Plus Coverage Examples

Coverage Period: 01/01/2017 - 12/31/2017
Coverage for: Single/Family | Plan Type: PPO

Questions and answers about the Coverage Examples:

What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

Does the Coverage Example predict my own care needs?

* **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

Does the Coverage Example predict my future expenses?

* **No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your providers charge, and the reimbursement your health plan allows.

Can I use Coverage Examples to compare plans?

✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

Are there other costs I should consider when comparing plans?

✓ **Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

Questions: Call 1-800-883-2177 or visit us at www.healthpartners.com.

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EXHIBIT B - to Health Care Agreement



Rated Proposal

Great News! When you pair a HealthPartners small employer medical plan and a HealthPartners dental plan, you may be eligible for up to a 25% discount on the Family tier of your dental premium. Contact your sales team for more information.

Prepared for: City of Oak Park Heights
Effective Date: 01/01/2015
State: MN

Area: MNS

Broker: Allan T Roth
Corp: HP

Empower HSA Gold 2000- 100 Rx Plus Open Access		
Age	Non-Tobacco	Tobacco
0-17	\$296.85	\$296.85
18	\$296.85	\$272.98
19	\$296.85	\$272.98
20	\$296.85	\$272.98
21	\$296.12	\$296.84
22	\$296.32	\$296.84
23	\$296.32	\$296.84
24	\$296.32	\$296.84
25	\$297.38	\$297.38
26	\$271.51	\$271.51
27	\$278.83	\$278.83
28	\$285.27	\$285.27
29	\$297.79	\$297.79
30	\$292.95	\$292.95
31	\$298.49	\$298.49
32	\$294.82	\$294.82
33	\$294.81	\$294.81
34	\$292.87	\$292.87
35	\$295.20	\$295.20
36	\$297.53	\$297.53
37	\$299.46	\$299.46
38	\$291.59	\$291.59
39	\$295.84	\$295.84
40	\$298.10	\$298.10
41	\$298.89	\$298.89
42	\$292.61	\$292.61
43	\$291.32	\$291.32
44	\$297.77	\$297.77
45	\$294.28	\$294.28
46	\$299.38	\$299.38
47	\$291.95	\$291.95
48	\$295.11	\$295.11
49	\$298.00	\$298.00
50	\$295.29	\$295.29
51	\$296.51	\$296.51
52	\$299.47	\$299.47
53	\$292.98	\$292.98
54	\$291.17	\$291.17
55	\$291.45	\$291.45
56	\$292.86	\$292.86
57	\$298.58	\$298.58
58	\$298.07	\$298.07
59	\$292.71	\$292.71
60	\$292.25	\$292.25
61	\$297.90	\$297.90
62	\$294.56	\$294.56
63	\$295.59	\$295.59
64	\$298.26	\$298.26
65-115	\$298.96	\$298.96

Tobacco use is defined as use of any tobacco product on average at least one time per week within the last 12 months including cigarettes or cigars, or use of smokeless tobacco.

Note: These premiums would be based upon the actual age of each employee as of the plan effective date. This proposal is not valid for any group currently covered by HealthPartners.

If this description is being reviewed as an offer of coverage under this or another plan, it is with the understanding that the employer qualifies as a small employer under ERISA. Amount information is provided for review and approval by the employer. If there are demographic changes that affect participation, the plan sponsor must not hold and HealthPartners reserves the right to re-evaluate this proposal to the extent permitted under state and federal law.

MN_0000000000

Revised 01/01/2015

Prepared: 11/11/2014

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