

MEMORANDUM OF AGREEMENT

AFSCME DISTRICT COUNCIL 47

AFL-CIO

LOCAL 2186
(Court Employees)

AND THE

CITY OF PHILADELPHIA

JULY 29, 1996

TERM OF AGREEMENT

This Agreement shall be for four (4) years from July 1, 1996 to June 30, 2000.

WAGES

1. All permanent full-time employees in classes represented by District Council 47, Local 2186 who are on the active payroll as of the date of ratification of this Memorandum of Agreement shall receive a one thousand one hundred dollar (\$1,100) lump sum ratification bonus. The aforesaid lump sum bonus will not be added to the employees' base pay rates. The payment of the aforesaid lump sum bonus will be made within fifteen (15) days of written notification to the City of the Union's ratification of the Memorandum of Agreement.

A permanent employee who is on a leave of absence without pay as of July 1, 1996 will be eligible for the lump sum ratification bonus only if he/she returns to the active payroll before October 1, 1996 and remains on the active payroll for at least sixty (60) consecutive calendar days.

2. Effective December 15, 1997, there shall be a three percent (3%) increase in each step of each pay range of the District Council 47 pay plan.
3. Effective December 15, 1998, there shall be a three percent (3%) increase in each step of each pay range of the District Council 47 pay plan.
4. Effective March 15, 2000, there shall be a four percent (4%) increase in each step of each pay range of the District Council 47 pay plan.

HEALTH AND WELFARE

The Health and Welfare Benefit shall continue as defined in the Collective Bargaining Agreement between the City and District Council 47 covering the period July 1, 1992 through June 30, 1996 (the "1992-96 Agreement"), except for the following changes:

1. City Contribution:

If the Union opts to continue to provide benefits through the Joint Program, the current formula for determining the City monthly payment for full-time employees shall be eliminated and the following formula adopted:

For the twelve month period beginning July 1, 1996 - The actual monthly dollar contribution amount being paid as of June 30, 1996 shall continue unchanged until June 30, 1997.

For the twelve month period beginning July 1, 1997 - The actual monthly dollar contribution amount being paid as of June 30, 1997 shall be increased by three percent (3%) and shall continue at that contribution rate until June 30, 1998.

For the twelve month period beginning July 1, 1998 - The actual monthly dollar contribution amount being paid as of June 30, 1998 shall be increased in an amount equal to the percentage derived from the following formula:

75% of the average rate of increase in the three largest Philadelphia HMOs (calculated as has been the practice of the parties under the 1992-96 Agreement) and 25% of the rate of increase in the average annual CPI for medical care only for the Philadelphia region for calendar 1997 over calendar 1996. [For example, if the average HMO increase is 4% and the medical care component of the CPI increases by 8% then the City's monthly payment would increase by 5%].

For the twelve month period beginning July 1, 1999 - The actual monthly dollar contribution amount being paid as of June 30, 1999 shall be increased in an amount equal to the percentage derived from the following formula:

75% of the average rate of increase in the three largest Philadelphia HMOs (calculated as has been the practice of the parties under the 1992-96 Agreement) and 25% of the rate of increase in the average annual CPI for medical care only for the Philadelphia region for calendar 1998 over calendar 1997.

2. Retirees:

For employees retiring on or after July 1, 1996, the City shall continue the contributions provided for above in Paragraph 1 for each full-time employee who is enrolled in the Union's benefit fund and who is terminating employment after ten (10) years of continuous service to immediately become pensioned under one of the City's pension plans during the four (4) years following retirement from City service. However, the ten (10) years of service need not be continuous, if the amount of service needed to complete ten (10) years was begun through re-employment or reinstatement within one year of his/her last previous separation; it is also provided that such re-employed or reinstated employee may not be entitled to more than one four (4) year period of paid health-welfare payments.

3. Labor-Management Commission:

A Labor-Management Commission will be created to identify potential cost savings in connection with the maintenance of high quality health care for City employees, including the potential of pooled purchasing and/or consolidation of the existing health benefits administration structure. The Commission shall complete its report no later than March 1, 1997 and the City and the Union will meet and discuss potential changes to the current system of health benefits delivery.

MILEAGE

When privately owned passenger vehicles are used for official business under proper authorization, the rate of reimbursement shall be thirty-one cents (31¢) per mile. The Department will process reimbursement requests in a timely manner.

CHILD CARE ACCOUNT

The City will add, effective January 1, 1997, a pre-Federal income tax Dependent Care Reimbursement Account for employees represented by Local 2186 in accordance with Section 125 of the Internal Revenue Code and applicable federal regulations. Participation in the Dependent Care Reimbursement Account will be governed by Sections 129 and 125 of the Internal Revenue Code and the applicable regulations thereunder, and by the administrative rules currently in place for the City Administered Plan. Generally, participants may make, prior to each plan year, an irrevocable election to place money in this account through payroll deduction to pay for eligible dependent care expenses. Any money not used to pay for eligible dependent care expenses incurred during the plan year will be forfeited. Employees who experience a change in family status within the meaning of the applicable Federal regulations applying to this pre-tax account may in certain circumstances enroll after the start of a plan year, or stop further deductions during the year.

PENSION

The memorandum of understanding shall be amended to reflect the current practice of calculating average final compensation based upon the three (3) highest years of salary as opposed to the three (3) years immediately preceding retirement:

“4. Revise the definition of "Average Final Compensation" of the Retirement System Ordinance to be the annual average of the total compensation earned by an employee during the three (3) calendar or three (3) anniversary years (computed to include base pay, longevity and overtime payments only) which are the highest three (3) years of such earnings.”

CONTINUITY OF BENEFITS

Except as modified by this Memorandum of Agreement, all terms and conditions of the collective bargaining agreement between the City and the Union covering the period July 1, 1992 through June 30, 1996 which do not contain a specific expiration date shall remain in full force and effect for the term of this agreement, July 1, 1996 through June 30, 2000.

Thomas P. Cronin
for the Union

Paul Wink
for the City

James J. Dennis
for the Union

Michael P. ... 7/27/96
for the City

Herbert Walker
for the Union

Joseph ...
for the City

HOLIDAYS

Veterans Day will be restored as a recognized paid City holiday beginning in calendar year 1997 (fiscal year 1998).

Thomas Paine Cronin
for the Union

Neil Walker
for the City

James D. Quinn
for the Union

Michael Nohel 7-29-96
for the City

Herman Walker
for the Union

[Signature] 7-29-96
for the City

Dynowski 7-31-96
for the First Judicial District