

**THIS DOCUMENT
REPRESENTS THE COMPANY'S
FINAL AND COMPLETE OFFER**

June 13, 2024

Discussions between UFCW Local 400 and the City of Annapolis and Annapolis City Police Department have recently concluded. This analysis was printed and assembled as accurately as possible for review at your meeting. It is as complete as we could make it. Kindly forgive any omissions or typing errors.

All current articles, paragraphs and side letters that do not appear as changed in this proposal remain as they are in the current agreement. We have only addressed areas of change in this document.

RULES FOR THE CONDUCT OF THIS SPECIAL MEETING

1. Only matters directly bearing on the proposed contract may be discussed.
2. No member shall speak more than once on any subject until all members wishing to be heard have the opportunity to speak.
3. So that all views may be presented, members must limit their remarks on any subject to one minute.
4. This offer is a complete package. It must be accepted or rejected in its entirety.
5. Video, audio or any media recording of this meeting is strictly prohibited.

Following are the significant changes to the contract. For stylistic reasons, or clarity, the language as approved may be altered slightly in its final form.

**PROPOSED CHANGES IN THE
AGREEMENT BETWEEN
UFCW LOCAL 400
AND
ANNAPOLIS CITY POLICE DEPARTMENT**

Term of the new agreement is July 1, 2024 through June 30, 2026 and will include the following changes:

1. ARTICLE 1-MANAGEMENT RIGHTS Clean up language:

1.3 The Employer reserves the right to make permanent shift assignments in order to maintain efficient operations, provided that if a vacancy exists on another shift, the Employer will make every effort to first assign qualified officers with the most seniority desiring that particular shift assignment. **[Note: This paragraph is being relocated from Article 28.2]**

2. ARTICLE 2-RECOGNITION Change to read:
Incorporates the side letter including lieutenants

2.1 The Employer recognizes the Union as the sole and exclusive bargaining agent for the purpose of establishing salaries, wages, hours, and other conditions of employment for its officers, **classified into two (2) separate bargaining units:**

1. Unit 1 shall include employees in the ranks of police officer and police officer first class.

2. Unit 2 shall include employees in the ranks of police corporal, police sergeant, and police lieutenant. ~~including the rank of sergeant and excluding all lieutenants, captains and all other officers.~~

2.2 In the event that the rank inclusions above are retitled or in the event that additional ranks are added to the Police Department which in accord with the City Code would be eligible for inclusion in the above unit, such rank shall be specifically included in this Article, upon the agreement of the Employer and the Union. In the event the Employer and the Union are not able to agree as to the inclusion or exclusion, the matter shall be resolved in accordance with the grievance procedure.

3. ARTICLE 5-GRIEVANCE AND ARBITRATION Change to read:
Defines a workday for the purposes of grievance procedure.

Step 4. If the grievance is still unsettled, either party may, within fifteen (15) working days after the reply of the Mayor or their designated representative, by written notice to the other, request arbitration.

A working day is defined as any day other than Saturday, Sunday, or City holiday. For the purpose of the grievance procedure, business day hours are 0830-1630 hours.

4. **ARTICLE 6-UNION STEWARDS AND REPRESENTAION** Change to read:
Requires at least one Shop Steward be permitted to attend.

6.7 The Chief of Police shall permit at least one Union Steward to attend meetings of the Departmental Advisory Board. The decision to permit more than one Union Shop Steward to attend such meetings shall be made in the Chief of Police's sole discretion.

5. **ARTICLE 13- SENORITY** Clean up language:

13.1 Definition: Seniority means an employee's length of continuous service with the Police Department since their last date of hire, including time spent as a cadet. Provided however, that employees hired after ~~the effective date of this Agreement~~ **July 1, 2022** shall not have time spent as a cadet included in Seniority.

6. **ARTICLE 14-WORKFORCE CHANGES** Change to read:
Changes how temporary job openings are handled

14.2 Transfers: Officers desiring to transfer to other duty assignments shall submit an administrative report to their Commander. The administrative report shall state the reason for the requested transfer and shall include any particular background or skill that the employee has that ~~they he/she~~ believe would be applicable to the job requested.

14.5 New or Temporary Job Openings:

A. Temporary job openings are defined as job vacancies that may periodically develop in a job classification within the bargaining unit that will not exceed **thirty (30)** ~~(15)~~ consecutive days. Job openings that recur on a regular basis and/or that remain open more than **thirty (30)** ~~fifteen (15)~~ consecutive days at a time shall not be considered temporary job openings.

B. ~~Each full day~~ All time worked by any temporarily assigned officer ~~in excess of fifteen (15) days~~ in a higher rank in the department shall be paid **an additional five percent (5%)** ~~for by adjusting the officers rate of pay to the next higher step, or to the minimum step in the temporary job, whichever is higher.~~ **For purposes of this Article 14, "days" shall mean a full work shift for the position, which may be 8 hours, 10 hours, or 12 hours.**

Temporary job openings for bargaining unit positions that are expected to last more than 30 consecutive days shall first be filled by assignment or reassignment of officers who are on the promotional list for that position, with the Department's selection first made from any of officers who are among the four (4) highest on the promotion list for the position being temporarily filled, and thereafter from officers on the promotional list regardless of location on the list. When temporary openings under this paragraph for bargaining unit positions are filled by an officer who is not among the four (4) highest on the promotion list for that position, assignment or reassignment shall be based on availability and ability to perform

the work assigned. As an exception to the foregoing, the Department may assign or reassign officers who are not on the promotional list for that position to temporary positions in the bargaining unit when the Department determines there is an operational justification to assign or reassign such officer(s). If the Department assigns or reassigns an officer who is not on the promotional list for the position being temporarily filled, the Department shall provide an explanation to the Union regarding the operational justification underlying such assignment or reassignment. This paragraph does not apply to situations in which an employee is assigned to be OIC while a member of the command staff is on leave for less than 30 calendar days.

For temporarily assigned officers who are promoted into the rank to which they were temporarily assigned or reassigned, the time the temporarily assigned officer served in the temporary assignment shall count toward the officer's probationary period upon promotion so long as the promotion was continuous, without any break in service at the higher rank, and the evaluations during the temporary assignment were successful. Temporarily assigned officers will be evaluated at least every three (3) months in the temporary assignment and the credit toward the probationary period shall be based on the period of time for which there was a successful evaluation. As an example, the credit toward the probationary period for such temporary assignments shall apply as follows: if an officer was temporarily assigned for four (4) months, received a successful evaluation regarding the first three (3) months, and is then promoted to the higher rank pursuant, the officer will receive credit toward the probationary period of three (3) months.

C. ~~Temporary job openings may be filled by Employer assignment or reassignment. No officer shall be involuntarily assigned to a temporary position at a lower rate of pay.~~

D. Whenever a job opening occurs other than a temporary opening as defined above - in any existing job classification or as the result of the development or establishment of a new job classification, a notice of such opening shall be posted on all bulletin boards for one week prior to being advertised or announced outside the department. If the position is to be filled from inside the department, no posting will be required. The employer shall give primary consideration to police officers in the department in filling any such opening.

7. ARTICLE 16-DISCIPLINE & NON-DISCIPLINARY PERSONNEL ACTIONS

Defines non-disciplinary personnel actions

Adds new sections:

16.5 Any non-disciplinary personnel actions, including, but not limited to, informal counseling (written or verbal), coaching, performance improvement plans, performance advisements, and informal counseling, shall be governed by this Agreement and applicable City and Departmental policies, rules, general orders, and/or regulations. Such actions shall be clearly identified as non-disciplinary. In addition, the Employer may implement measures including, but not limited to, referral to counseling, employee assistance program, and remedial training. When such actions are non-disciplinary, they shall be governed the same as other non-disciplinary personnel actions. Non-disciplinary personnel actions are appropriate

for performance-related reasons, infractions of generally applicable City policies, rules and regulations, and other reasons not governed by the Maryland Police Accountability Act (MPAA). If non-disciplinary personnel actions are used in subsequent discipline of an employee, including dismissal, Section 16.1 shall apply to that action. The Employer may discharge officers for non-disciplinary reasons, such as, but not limited to, inability to perform their job duties, obtain required licensures and/or certifications, and other reasons unrelated to police misconduct. Such discharges are subject to this Section 16.6.

16.6 An officer may request that non-disciplinary personnel actions (those not governed by the MPAA), after two-years from issuance, be removed from the officer's personnel file.

8. ARTICLE 17-HOLIDAYS Clean up:
Clean up only. Language moved to Article 18

~~17.3—Each officer shall be granted three (3) personal leave days per year. Officers shall notify their Commander at least twenty four (24) hours in advance except in the case of emergencies.~~

NOTE: Deleted language belongs in Article 18 and has been moved

9. ARTICLE 18-PERSONAL AND ANNUAL LEAVE Clean up:
Clean up only. Language moved from Article 17.

18.1 Each officer shall be granted three (3) personal leave days per year. Officers shall notify their Commander at least twenty-four (24) hours in advance except in the case of emergencies.

10. ARTICLE 20-BEREAVEMENT LEAVE Change to read:
The Employer incorporates by reference the provisions on Funeral Leave embodied in Section 6-4 of the City of Annapolis Personnel Rules and Regulations, which read as follows:

6-4 Funeral Leave

- A. Upon approval by the Employer, an eligible full-time employee shall be granted time off with pay at their straight time rate, not to exceed three (3) consecutive scheduled workdays (which shall mean 24 hours of leave for personnel assigned to shift work), if needed, to attend the funeral of an immediate family member.
- B. The employee's immediate family shall be defined as the employee's father, mother, spouse, domestic partner, child, son, daughter, sibling, brother, sister, uncle, aunt, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepparent, stepchild, grandparents, grandchildren, and step-grandchildren.
- C. Funeral leave shall not be charged to annual or sick leave.
- D. Should an employee require additional time other than provided in paragraph "A" above, they ~~he/she~~ may request the additional time from the Employer. Upon approval, any

additional time used may be taken as leave without pay, or be charged to **other earned paid annual** leave if **they** he/she have accrued sufficient **paid annual** leave time.

- E. An employee may be required to provide the department with proof of death in their immediate family before funeral leave pay is approved.

11. ARTICLE 21-SICK AND SAFE LEAVE

Clean up language:

Incorporates Maryland Health Working Families Act (MHWFA)

21.1 Allowances: Any officer contracting or incurring any non-service-connected sickness or disability, **or situation which would be covered under the Maryland Health Working Families Act (MHWFA)** which renders such employee unable to perform the duties of their employment, shall receive sick leave with pay. The administration of leave shall comply with the **MHWFA** ~~Maryland Healthy Working Families Act.~~

Officers shall earn one and one-quarter (1-1/4) days per month for each month of service.

21.2 Accumulation: Officers shall start to earn sick **and safe** leave from their date of hire, and they shall accumulate sick **and safe** leave as long as they are in service of the Employer, with unlimited accumulation.

21.3 Disability Benefit - Non-Occupational: Officers shall have a short-term disability benefit equal to 60% of their regular weekly pay, not to exceed a maximum of \$700.00 per week. Payment will begin after fourteen (14) calendar days of disability. The maximum benefit period is twenty-six (26) weeks. Officer must exhaust sick **and safe** leave first before receiving disability benefit.

The Employer will provide Voluntary Long Term Disability option for employees to purchase for disabilities exceeding 26 weeks.

21.4 Medical Leave: If an officer has an on-the-job injury, is unable to work, and provides evidence that the officer has filed a claim for worker's compensation; the officer shall be placed on Medical Leave. The Employer will advance to the officer until they begin to receive worker's compensation benefits (but not longer than 30 days) an amount equal to the anticipated worker's compensation benefit. When the officer receives a worker's compensation benefit which has been advanced by the Employer, they will turn it over to the Employer as reimbursement for the advance. If the claim for benefits is denied, the officer shall reimburse the Employer for the advance. It shall not be necessary for an employee to use up available sick **and safe** leave prior to accessing benefits under this provision. Any sick **and safe** leave which is advanced as provided herein shall be reimbursed hour for hour (100%).

12. ARTICLE 23-OVERTIME

Change to read:

Changes how voluntary and involuntary overtime is assigned

23.1 Rate of pay: Time and one-half (1-1/2) the officer's regular hourly rate of pay, or compensatory time off as defined below, shall be paid for work under any of the following conditions, but compensation shall not be paid twice for the same hours. Officers have the option

upon notice to receive compensatory time off in lieu of overtime pay. Compensatory time off shall be calculated hour for hour and shall be in accordance with the Fair Labor Standards Act. Officers shall be permitted to accumulate up to one hundred twenty (120) hours of compensatory time.

23.2 Daily/Weekly: All work performed in excess of the regularly scheduled work day/work week shall be paid the overtime rate of pay.

23.3 Before or After Regular Hours: All required work performed before or after the scheduled work shift shall be paid at the overtime rate of pay.

23.4 Distribution: **On each occasion when overtime work is available, a notice shall be posted and eligible officers shall have an equal opportunity to sign up for overtime. Assignments shall be made from officers signing up on the posted list.** Voluntary overtime shall be distributed among officers by seniority within a job classification (**meaning, Officer or Officer First Class to Officer or Officer First Class, Corporal to Corporal, Sergeant to Sergeant, and Lieutenant to Lieutenant**) ~~on a rotation starting with seniority on a calendar basis. Officers volunteering for overtime must possess the requisite certifications for the available overtime occurrence. On each occasion when overtime work is available, a notice shall be posted and eligible officers shall have an equal opportunity to sign up for overtime. Voluntary Assignments shall then be made from officers signing up on the post list.~~ **An "occasion" is each instance when overtime is available under this Section 23.4. An occasion may consist of a single day or multiple days. For occasions that occur over multiple days, the most senior employee might not get every day of the occasion. Notices for multiple day occasions will be posted together.**

~~This voluntary overtime rotating wheel began on January 1, 2023, and resets each subsequent January 1 for the duration of the term.~~

When there are no volunteers but there is a need for overtime, overtime work shall be distributed among **qualified** officers by seniority within a job classification (**meaning, Officer or Officer First Class to Officer or Officer First Class, Corporal to Corporal, Sergeant to Sergeant, and Lieutenant to Lieutenant**) on a rotation starting with reverse seniority on a calendar basis. This mandatory overtime rotating wheel ~~shall begin~~ **began** on January 1, 2023 and resets each subsequent January 1 for the duration of the agreement term.

~~The above rotations shall commence on July 1, 2022, to December 31, 2022, with new full year rotations commencing on January 1, 2023.~~

23.5 Work at Officer's Option: Overtime work shall be voluntary. There shall be no discrimination against any officer who declines to work overtime. When there are no volunteers but there is a need for overtime, the officer/officers with the least seniority shall be required to perform the overtime duty.

23.6 No officer shall be permitted to work more than sixteen (16) consecutive hours, unless there occurs a major civil emergency, natural disaster or other unusual circumstances which require more than sixteen (16) consecutive hours of work.

23.7 An officer shall be given a minimum of ten (10) days' notice of any change in scheduled days off. If the Employer requires an officer to work a scheduled day off with less than ten (10) days' notice, the officer shall be paid overtime at a rate of one and one-half (1 1/2) times their regular hourly rate for all hours worked that day.

23.8 An officer shall be given a minimum of forty-eight (48) hours' notice of any change in the hours they are scheduled to work on a shift. If the Employer changes the hours an officer is scheduled to work on a shift with less than forty-eight (48) hours advance notice, the officer shall be paid overtime at a rate of one and one-half (1 1/2) times their regular rate for each hour they are required to work outside of their originally scheduled hours.

23.9 Large Event Planning

A. No leave, or scheduled regular days off, shall be permitted until such time that staffing is established for July 4th, New Year's Eve, or other ~~special~~large events as declared by the Chief ("events").

B. Process.

- i. A sign-up sheet for volunteers shall be posted sixty (60) days prior to the event. **Additionally, the department will seek outside agency volunteers commencing with the posting.**
- ii. If there are not enough officers who volunteer to work each event by thirty (30) days prior to those events, then officers will be **ordered in scheduled** based on the existing work schedule and seniority.
- iii. The Department shall determine the qualifications or certifications required for officers working the days and/or events identified in this Section 23.9.**
- ~~iii~~**iv.** A list of those scheduled to work ("event list") on the event will be published twenty-one (21) days prior to the event.
- ~~iv~~**v.** **Once the event list is published,** the regular day off and normal leave procedures shall apply to officers who did not volunteer and who are not **ordered in required to work** on the day of the event. ~~The department will seek outside agency volunteers commencing with the posting.~~
- ~~v~~**vi.** Officers may be released from the event schedule based on the number of officers from outside of the department who work on the event. Releases shall be by seniority.
- ~~vi~~**vii.** Any officer who works on the day of the event outside of the officer's regular scheduled shift, shall receive overtime pay for the hours worked during the event.
- viii. An event may occur on a single day or multiple days, and each day of the event constitutes a separate event for purposes of this Section 23.9.**

C. Exceptions.

- i. This Section does not apply to situations deemed by the Police Chief, or designee, to be emergencies.
- ii. This Section does not remove or supersede a supervisor's authority to determine appropriate staffing based on operational needs and the discretion to deny leave to meet such needs.

23.10 Any employee required by the City to work seven (7) consecutive days in a workweek shall be paid at two (2) times their regular hourly rate of pay for all hours actually worked on the seventh (7th) day of a workweek. This Section 23.10 does not apply to training that occurs on the seventh (7th) day, even if required by the City. In order for this Section 23.10 to apply, the City must have required the employee to work each of the prior six (6) days in the workweek in addition to the seventh (7th) day. For clarity, voluntary requests for training, employee-initiated training, and voluntary overtime do not count toward any of the seven (7) consecutive days for purposes of this Section 23.10.

13. ARTICLE 24-HEALTH AND WELFARE BENEFITS Change to read:
Increases retiree Health and Welfare for officers not vested by July 1, 2012

24.5 Retiree Medical

(A) Eligibility to receive Retiree Health Benefits. Prior to and coinciding with the date of retirement, the Employee (and covered eligible dependents) must be participating in Active Employee benefits to be eligible to elect Retiree Health benefits. Employees who were hired by the City before July 1, 2012 are eligible for retiree medical benefits regardless of age at the time of retirement. Employees who were hired by the City on or after July 1, 2012, must be eligible for retirement under the Police and Fire Retirement Plan at the time of retirement to be eligible for retiree medical benefits. All other Employees must be age 45 or older at the time of retirement to be eligible for retiree medical benefits.

~~(Except for any employees who retire under a Service Connected Disability pension as provided in Section 3.7 of the Police and Fire Retirement Plan, for any employee who is not vested in the Police/Fire Pension Plan as of July 1, 2012, Retiree Medical benefits shall be revised so that the percentage of the retiree medical premium that the Employer pays for retirees and dependents will change from the current 70/30 split to a percentage equal to two and one half percent (2.5%) multiplied by each year of City service, up to a maximum of seventy percent (70%). Any employees who have retired or subsequently retire under a Service Connected Disability shall be entitled to a premium change to 70/30 split effective January 1, 2020. Surviving spouses and qualifying dependents shall be entitled to the same premium change.~~

(B) Terminated Vested Participants. Employees who are "terminated vested participants", as defined in the Police and Fire Retirement Plan, are not eligible for Retiree

Health benefits unless they are active employees when they meet the eligibility requirements for the vested benefit. ~~Except for employees who retire under a Service-Connected Disability pension as provided in Section 3.7 of the Police and Fire Retirement Plan, for any employee hired on or after July 1, 2012, Retiree Medical benefits shall be revised as follows:~~

~~(1) Employees must be at least age 50 when they retire to be eligible to receive retiree medical benefits for themselves or dependents.~~

~~(2) The percentage of the retiree medical premium that the Employer pays for retirees and dependents will be two and one-half percent (2.5%) multiplied by each year of Employer service, up to a maximum of seventy percent (70%).~~

(C) Service-Connected Disability Retirement. For Employees who retire on a Service-Connected Disability Retirement, City-paid Retiree Health benefits shall be 70% of the premium cost of the benefits and the Retiree (or an eligible Surviving Spouse) will pay 30% of the premium cost, as provided in the benefits section below.

(D) OPEB Fund. Retiree Health benefits are funded by contributions to the OPEB Fund (OPEB):

(1) a. For Employees hired on or after July 1, 2014, and before July 1, 2024, the Employee will contribute 1% of the Employee's salary per pay period to OPEB and the City will contribute 2% of the Employee's salary per pay period.

b. For Employees hired on or after July 1, 2024, the Employee's contribution shall be 2% of the Employee's salary per pay period and the City will contribute 2% of the Employee's salary per pay period.

(2) For Employees hired before July 1, 2012, the City will contribute 3% of the Employee's salary per pay period to OPEB.

(E) A Retiree (and a covered Spouse) who becomes Medicare-eligible may join the City's Medicare Supplemental Plan and/or the Prescription Drug Plan but will pay the full cost of the monthly premium. A Retiree or covered Spouse may also continue to participate in the Dental Plan and the Vision Plan and will pay the full cost of the monthly premium.

(F) A Retiree who did not join the City's Retiree Health Plan at retirement, may join the Medicare Supplemental Plan and/or Prescription Drug Plan when they become Medicare-eligible.

(G) For any employee who is vested in the Police/Fire Pension Plan as of July 1, 2012 or is retired under a Service-Connected Disability pension as provided in Section 3.7 of the Police and Fire Retirement Plan - Retiree Medical, benefits shall remain the same as set forth in Article 23 of the 2010-2012 Collective Bargaining Agreement (set forth below):

(1) OPEB Trust.

(a) Effective July 1, 2014, there will be an annual contribution of three percent (3%) of total payroll for sworn Police and Fire personnel to the OPEB Trust as follows:

1. The Employer will contribute two percent (2%) of total payroll annually for Sworn Police and Fire to the OPEB Trust.
2. The employee contribution will be equivalent of one percent (1%) of gross base pay per pay period paid into the OPEB Trust. These contributions will be handled as follows:
 - a. Employees hired on or before December 31, 2013 shall have their one percent (1%) contribution covered by health plan design changes effective July 1, 2014 and will not contribute to the Trust through a payroll deduction.
 - b. Employees hired on or after January 1, 2014 will have the one-time option to irrevocably waive participation in the OPEB Trust and thereby permanently waive future eligibility for retiree healthcare.

(b) Employees hired on or after January 1, 2014 will have the one-time option to irrevocably waive participation in the OPEB Trust and thereby permanently waive future eligibility for retiree healthcare.

(c) Retiree Healthcare will be paid on a "pay-go" basis until the Trust is adequately funded to begin covering the annual costs.

24.6 Retiree Health ~~Benefits Insurance Plan~~

(A) **Retiree Health benefits will be the Employer's Core medical/prescription plan, prescription plan, Core dental plan, and Core vision plan. These benefits may change from time to time as the Active Employees benefits change. However, Retirees will be given the option of upgrading to the Plus coverage, but must pay 100% of the difference between the premium for Core coverage and the premium for the Plus coverage.** ~~The benefits will be the Employer's Core medical plan, prescription plan, Core dental plan, and Core vision plan. These benefits may change from time to time as the active employees benefits change.~~

(B) **Retiree (or eligible Surviving Spouse) Health coverage will end at death or when the person is eligible for Medicare. However, the Retiree (or eligible Surviving Spouse) may continue with prescription, dental, and vision coverage after they become eligible for Medicare if they pay the entire premium cost for the coverage.** ~~In order to be eligible for retiree health benefits, an employee must be eligible to retire under the Police/Firefighter Pension Plan and must have retired on or after July 1, 2002. The retiree must receive an immediate annuity.~~

(C) **The Retiree (or eligible Surviving Spouse) must elect to receive the Retiree Health benefits immediately upon retirement (or eligibility); they cannot enroll at a later time,**

unless they become Medicare-eligible. ~~The Employer will pay 70% of the premium cost of the benefits, and the retiree (or an eligible surviving spouse) will pay 30% of the premium cost.~~

(D) The Retiree (or eligible Surviving Spouse) must choose the same or lesser level of coverage. For example, if at retirement, the Employee has Employee/Spouse coverage, they could continue Employee/Spouse coverage or change to Employee-only coverage.

(E) Surviving Spouses will be eligible to continue Retiree Health benefits under the following conditions:

(1) Upon the death of an active Employee who was eligible to retire, if the Surviving Spouse is eligible to receive an immediate annuity from the Police and Fire Retirement Plan and the Employee and Surviving Spouse were covered by the City's Active Employee health benefits on the last day of the Employee's employment with the City.

(2) Coverage for Surviving Spouse will not be terminated because of the Surviving Spouse's remarriage, however, no new dependents are eligible for coverage.

(F) Retiree Health Premiums.

(1) For Employees who retire with less than 20 years of service with the City, the Retiree Health benefit paid by the City will be equal to 2% for each full year of the Employee's service to the City. Employees in this category must be eligible for retirement under the Police and Fire Retirement Plan.

(2) For Employees who retire with at least 20 years of service with the City but less than 25 years of service with the City, the Retiree Health benefit paid by the City will be 60%, and the Employee will pay 40%. Employees in this category must be age 45 or older at the time of retirement.

(3) For Employees with 25 or more years of service, the Retiree Health benefit paid by the City will be 70%, and the Employee will pay 30%. Employees in this category must be age 45 or older at the time of retirement.

(4) In no event with the City's payment toward Retiree Health benefits exceed 70% of the premium cost.

~~(1) Retirees previously on an 80/20 healthcare split increased to 75/25 effective July 1, 2010. Effective June 30, 2011, these retirees increased to a 70/30 healthcare split.~~

~~(D) Retiree (or eligible surviving spouse) coverage will end at death or when the person is eligible for Medicare. The retiree (or eligible surviving spouse) may continue with prescription, dental, and vision coverage after they become eligible for Medicare if they pay the entire premium cost for the coverage.~~

~~(E) The retiree (or eligible surviving spouse) may elect to receive the retiree health benefits immediately upon retirement (or eligibility) as set forth in the plan—they can enroll at a~~

later time in the group plan for 65 and older retirees in the supplemental Medicare benefit, however, they cannot enroll in the OPEB health benefit.

~~(F) — The retiree must have participated in the Employer health insurance plan for at least five consecutive years prior to retirement.~~

~~(G) — The retiree must choose the same type of coverage or a lesser type — for example, if in the past the retiree had husband and wife coverage, the retiree could continue with husband and wife coverage or change to individual coverage.~~

~~(H) — Surviving spouses will be eligible to continue coverage:~~

~~(1) — Upon the death of the retiree, if the spouse was covered by the Employer health insurance plan for at least five consecutive years as of the date of the retiree's death.~~

~~(2) — Upon the death of an active employee who was eligible to retire but dies before retiring and the spouse is eligible to receive an immediate annuity from the pension plan. Also, the employee must have been covered by the Employer's health plan for at least five consecutive years as of the date of the employee's death.~~

~~(3) — Coverage for a surviving spouse will terminate upon remarriage of the spouse.~~

~~(I) — Persons who submit paperwork to the Employer by April 30, 2010 and retire on or before July 1, 2010 will be grandfathered at fifteen percent (15%) until June 30, 2012. After June 30, 2012, these persons will pay the same rate as those who retire on or after July 1, 2012.~~

(G) Employees who waived coverage.

(1) For existing City employees as of July 1, 2024, who have waived Retiree Health benefits, such Employees will be given the opportunity to elect Retiree Health benefits between July 1, 2024 and September 1, 2024.

(2) For Employees who elect Retiree Health benefits under this Section, the years of service calculation for Retiree Health benefits purposes only shall be calculated beginning on the date of the Employee's election of Retiree Health benefits. Stated differently, the years of service calculation for these Employees begins with the retiree health insurance enrollment date. Alternatively, Employees who elect Retiree Health benefits under this Section may choose, during the enrollment period set forth in (G)(1) of this Section, to buy back their years of service with the City at a rate of 1% of the Employee's salary for each year of service as prior to the Employee's enrollment date back to their date of hire by the City as a Police Officer.

(3) Other than existing employees as explained in this Section, newly hired employees after June 30, 2024 must enroll in Retiree Health benefits within 30 days of their hire date.

NOTE. NOT IN CBA: The City commits to reviewing its onboarding processes to highlight Retiree Health Benefits enrollment and the impact of not enrolling within thirty (30) days of an employee's date of hire.

14. **ARTICLE 27-CLOTHING AND EQUIPMENT ALLOWANCE**

Change to read:

Increases clothing and equipment allowance

27.1 An officer will receive a clothing and equipment allowance of ~~\$1,000~~ **850** per fiscal year. Officers who have volunteered to work in a second department function in which a different uniform is required (such as SWAT, voluntary bicycle patrol, ~~detectives~~, or honor guard) will receive an additional ~~\$100~~ **75** in clothing and equipment allowance. The maximum total clothing and equipment allowance an officer may receive in a fiscal year is ~~\$1,100~~ **925**. **Plain clothes officers will receive a clothing and equipment allowance of \$1,000 per fiscal year. In addition, plain clothes officers will receive a uniform-only allowance of \$500 per fiscal year, which may be used only for ordering uniforms through the City.**

27.2 Officers will be given a cleaning allowance of ~~\$50~~ **\$40**/month which is included in their biweekly paycheck to cover all uniform cleaning expenses.

27.3 The City will replace, at no cost to the officer or against the allowance described in Section 27.1, clothing or equipment that is damaged in the line of duty, through no fault of the officer. The officer must provide a signed, written statement explaining the circumstances under which the clothing or equipment was damaged, including details of the underlying incident and why replacement is necessary, in order for replacement to be provided.

15. **ARTICLE 28-PAY**

Change to read:

Introduction of new 19 step pay scale

~~28.1~~ ~~Pay Scale~~

- ~~A. There is a new pay scale for each Rank in the bargaining unit. It is attached to this Agreement as **Attachment G**. The new salaries shall go into effect on the first day of the first full pay period after July 1, 2022 and in the second year of the Agreement on the first day of the first full pay period after July 1, 2023.~~
- ~~B. For the duration of this Agreement, the Employer shall continue the current step and longevity increases for those Employees who are eligible for such increases.~~

28.1 A. Fiscal Year 2025. Effective July 1, 2024, the Wage Scale shall be adjusted to the Wage Scale set forth in Attachment H.

- 1. There will be a 4% difference between each step at steps 1 through 10, and a 3% difference between each step at steps 10-19.**
- 2. Employees will be placed on the new FY 25 Wage Scale at the closest step on the FY 25 Wage Scale where their respective salary is equal to or higher than their current salary as of June 30, 2024 (on the FY 24 Wage Scale).**
- 3. If an Employee's resulting FY 25 salary is not at least 2.5% more than their salary as of June 30, 2024, the Employee will receive a one-time lump sum bonus that is not added to the Employee's base compensation. The one-time lump sum bonus shall be equal to the difference between the value of a 2.5% increase (as**

described in this paragraph) and the value of the Employee's FY 25 salary when placed on the new Wage Scale as set forth in Section 28.a.1.-3. There is a new pay scale for each Rank in the bargaining unit. It is attached to this Agreement as Attachment H. The new salaries shall go into effect on the first day of the first full pay period after July 1, 2022 and in the second year of the Agreement—on the first day of the first full pay period after July 1, 2023.

- B. For Fiscal Years 2025 and 2026, Employees will receive a one-step increase on their anniversary dates. For the duration of this Agreement, the Employer shall continue the current step and longevity increases for those Employees who are eligible for such increases.

28.11 This Agreement is dependent upon receipt by the Employer of the revenues projected by the Employer as necessary to implement the Agreement. Should revenues fall below the levels needed to implement this Agreement, the Employer shall notify the Union in writing of the shortfall in revenues and of its proposals, if any, for such modifications of this Agreement as are, in the judgment of the Employer, made necessary by the shortfall. Thereafter, the Employer and the Union shall promptly meet and bargain in good faith in an attempt to reach an agreement which can be implemented within the revenues received by the Employer.

16. ARTICLE 32-TRAINING PROGRAM

Change to read:

Clean up only. Brings CBA in line with current practices

32.2 Training school opportunities shall be posted for a period of at least one (1) week prior to the close of applications for such opportunities. Officers interested shall ~~sign the posted roster.~~ Submit an Administrative Report requesting to attend the training class through the chain of command. Officers wishing to attend these schools shall be assigned on the basis of seniority and job classification consistent with the needs of the department from the posted list.

Officers attending training schools shall be compensated as they have been in the past for the duration of this Agreement.

17. ARTICLE 33-MILITARY SERVICE

Change to read:

33.1 Officers who serve in the National Guard or military reserve units which require annual training shall be granted the necessary leave with pay for up to one hundred-twenty (120) hours to fulfill the annual training requirements of the unit in which they serve. Upon notification from the military, the officer shall promptly notify the Employer. ~~Such officer shall give the Employer two (2) weeks of notice.~~ The leave shall be granted in accordance with the Employer's Personnel Rules and Regulations.

33.2 The Employer will comply with the applicable laws of the United States concerning the reemployment of officers leaving the military service, of the United States. ~~At the time an officer~~

leaves for military service, they shall receive whatever vacation pay is due him. The application of this provision will comply with the Uniformed Services Employment and Re-employment Rights Act as amended. Upon return from military service, an officer shall work to their original employment date and be entitled to their pro-rata vacation.

33.3 In addition to the leave granted above, in the event of a call to duty or deployment, the Employer shall grant the necessary leave **consistent with applicable law**. If the employee's base pay with the Employer is more than the employee's military base pay, the employee shall be paid the difference between the employee's base pay rate and the employee's military base pay for up to ninety (90) days per calendar year. Notwithstanding the above, such employees shall continue to receive any other Employer benefits being provided to employees covered by this bargaining agreement. The employee shall furnish a copy of the military orders calling the employee to duty and include official verification of the military pay.

18. ~~ARTICLE 34-TUITION REIMBURSEMENT~~

Delete Article:

The city will introduce a city-wide program. See side letter.

~~The Employer will suspend its Tuition Assistance Program for the duration of this agreement beginning on July 1, 2022 and ending on June 30, 2023.~~

19. ARTICLE 35-WORKERS COMPENSATION

Change to read:

Leave is not accrued while in a non-pay status

35.1 Workers Compensation. The Employer shall pay workers' compensation payments to employees entitled to such under state law at the rate of sixty-six and two-thirds percent (66 2/3rds%) of the average weekly wage up to the maximum limit as determined by state law. The Employer shall pay the difference between the workers' compensation payment and one hundred percent (100%) of the employee's then current straight time pay in a taxable wage payment. **Employees receiving additional compensation pursuant to this Section 35.1 shall be considered to be on a "non-pay" status and will not accrue leave during the period in which they are receiving the additional pay.**

20. DURATION OF AGREEMENT

Two-year agreement

This Agreement will be effective from July 1, ~~2022~~ **2024** through June 30, ~~2024~~ **2026**

21. DISCUSSION ITEMS:

The Collective Bargaining Agreement will be made gender neutral throughout.

Hiring bonus (not included in the Collective Bargaining Agreement). Effective July 1, 2024, for new hires on or after that date; new hires receive \$1,000 upon hire, \$4,000 upon successful completion of field training, and \$5,000 at the completion of years 2, 3, and 4 (on the condition of a satisfactory performance review).

22. ATTACHMENT "A" MODIFIED DUTY

Change to read:

MODIFIED DUTY

Where any Employee undergoes a medical evaluation as provided for in Article 14, and the results thereof indicate that the Employee has a correctable impairment which is temporary in nature, the Employees' appointing authority in conjunction with the Human Resources Manager, shall detail other duties, tasks, and responsibilities to said employee during the period of the Employees' temporary impairment. The detail of such duties may be in other than the Employees' assigned department provided wherever possible the temporary duties to which the Employee will be assigned should be of such a nature as might conceivably be covered by the Employee's job description in their primary department. The Employee to whom additional or different duties and responsibilities are detailed, shall remain in the Employee's current salary status during the period of such detail and, upon completion of such detail, and clearance by a physician or Employer Doctor shall reassume the regular duties and responsibilities of the position occupied by the Employee.

Modified duty assignments shall continue for not more than sixty (60) days with a review by the Human Resources Manager and, if necessary, the Employer Doctor every thirty (30) days. ~~At the~~ At the discretion of the Police Chief, modified duty may be extended beyond sixty (60) days. An Employee unable to return to their normal duties at the completion of modified duty shall be evaluated for separation and shall be placed on disability leave or leave without pay pending separation.

Where any such Employee undergoes a medical examination and the results thereof indicate that the Employee is totally disabled such that the employee is not able to continue to perform satisfactorily in the Employee's job classification, ~~then the Employee shall have the choice to transfer to a vacant position for which they are determined by the hiring authority to be qualified or the Employee shall apply for disability retirement under the applicable provisions of the appropriate retirement system.~~

~~Should the Employee choose to transfer and the transfer is from one (1) department, agency or office to another department, agency or office, the transfer shall be subject to the approval of both appointing authorities and the Human Resources Manager.~~

Where any such Employee refuses to undergo a medical evaluation, if directed to do so by the Human Resources Manager, the hiring authority shall be authorized to initiate a dismissal action against the Employee.

23. ATTACHMENT "B" DROP PLAN

Change to read:

Participation period; mandatory retirement upon expiration

- a) **Generally.** A DROP participation period begins on the first day of a Plan Year and expires on the last day of a Plan Year.

- b) **Term of participation period.** ~~The term of a DROP participation period is three (3) years for those employees commencing participation on or before June 30, 2018. Employees who commence participation on or after July 1, 2018 shall have a participation period of four (4) years.~~ **Employees who enroll in the DROP on or after July 1, 2024 shall have the option for a fifth year provided that those employees who wish to participate for a fifth year elect to do so by the conclusion of the open enrollment period during the employee's fourth year in DROP, and provided that the employee's fifth year does not result in the number of DROP participants exceeding the limits set by the City Council. A DROP participant who terminates employment with the City after the four-year term of the DROP participation and before the completion of the additional one-year term, is entitled to a DROP benefit only for the fully completed four-year period of DROP participation.**

Early-withdrawal from participation

- a) **Withdrawal before end of participation period.** A DROP participant whose participation ends prior to the end of the DROP participation period (**not including the fifth year option**) because of a termination of employment or ineligibility to participate in the plan for any reason:

24. ATTACHMENT "C" PROMOTIONAL PROCESS

Change to read:

V. Personnel Folders

B. Candidates will be scored on items since **their last application for promotion** ~~the 12 months prior~~ to the deadline date set for submitting an application for promotion. This is limited to Section V.D.1 and V.D.2 below.

VI. Scoring

E. All scores, on individual components and the final score, will be carried to two (2) decimal places and there will be no rounding.

25. ATTACHMENT "D" TAKE HOME CAR

Change to read:

I. ELIGIBILITY:

- A. **Basic Eligibility:** An Officer shall be eligible for a take home vehicle after successful completion of Field Training.
- B. **Officers Residing in Anne Arundel County:** Officers who reside within Anne Arundel County shall be provided a take home vehicle. There are no restrictions on personal use of the take home vehicle within Anne Arundel County except as otherwise provided in Sections II.A, B and C of this Policy. Members of the Officer's immediate family (defined as "spouse, child, **siblings'** ~~brother, sister~~, parents or parents-in-law,

grandparents, or guardians) are permitted to accompany the Officer when the Officer is operating the take home vehicle provided that the Officer is responsible for the behavior and appearance of the passengers.

- C. **Officers Residing Outside Anne Arundel County:** Officers who reside outside Anne Arundel County shall be provided a take home vehicle. The use of the take home vehicle shall be restricted to travel to and from City employment, except as provided in Sections II.A, B and C of this General Order, and Officers may use their issued police vehicles for personal errands that occur while directly traveling to or from duty. Additionally, immediate family members as defined in Section I.B of this General Order may ride in the police vehicle when it is necessary to facilitate an action that occurs while traveling directly to or from duty (i.e., dropping a spouse at work, or picking up a child from school). Immediate family members (as defined in Section I.B) may also ride in the police vehicle when they are attending a City function with the Officer.
- D. **Officers In On-Call Status; ASET Members: Officers who are on an on-call list, and ASET members shall have no restrictions on personal use of the take home vehicle during their on-call period, except that they shall stay within an hour response radius from 199 Taylor Avenue, Annapolis, and except as otherwise provided in Sections II.A, B and C of this Policy. If Officers cannot respond within an hour, they will immediately notify their supervisor and provide the reason for the delay in writing. Passengers are still restricted to immediate family members (as defined in Section I.B).**
- E. **Out of State Take Home Vehicle Use: No Officer with a take home vehicle is permitted to take their take home vehicle out of state except for approved City purposes. As an exception to this restriction, Officers whose primary residence is outside the State of Maryland may use their issued police vehicle consistent with Section I.C.**

Note: Officers who are serving in positions where they are called in shall consider their ability to respond quickly to incidents before transporting a member of their immediate family in a take-home vehicle.

II. GENERAL REQUIREMENTS:

- C. Off-duty use of the Personal Patrol Vehicle (“PPV”)
 - 1. Police vehicles shall only be driven by authorized sworn members of the Annapolis Police Department. While using the vehicle off-duty, Officers will monitor the police radio. Officers need not notify the Police Communications Operator when going in or out of service, however, the officer will advise the dispatcher when responding to a call.
 - 2. Off-duty Officers will use their **radio call sign** ~~post number~~ preceded by stating off-duty when transmitting radio messages.

7. Vehicles will not be operated after the officer has consumed any amount of alcohol. PPV's will not be operated after the officer has consumed any drug that impairs his/her ability to operate the vehicle. No **open, unsealed** alcoholic beverages will be carried in the PPV except when they are seized as evidence or contraband. When operating the vehicle off-duty, the police radio must be kept on.

D. Miscellaneous

1. The City shall have the right to install and utilize GPS tracking on take home vehicles or use GPS through the car radio for the enforcement of this GO and for investigation of complaints.
2. Officers on **annual** leave in excess of five consecutive assigned work days, ~~whether sick leave, annual leave or administrative leave other than for training purposes, and Officers on leave without pay~~ must arrange for delivery of the vehicle to their Division Commander.
3. **Officers on sick leave, or administrative leave other than for training purposes beyond five consecutive assigned work days must arrange for delivery of the vehicle to the Department Fleet Manager.** If an officer is so ill they cannot bring **their** his/her vehicle to the station, arrangements will be made to have the vehicle picked up. **This subsection also applies to Officers who are on leave due to work related injury/illness in excess of five (5) consecutive work days.**
4. **Officers on leave without pay are prohibited from operating a PPV. Officers on leave without pay in excess of five consecutive work days must arrange for delivery of the vehicle to the Department Fleet Manager.**
5. Officers whose police powers have been suspended must deliver the vehicle to **their Division Commander the Department Fleet Manager.**
6. The City shall have the right to assign specific vehicles to Officers and to change vehicle assignments in its discretion.

E. Off-Duty Enforcement

3. Off-duty Officers are not expected to be strict enforcers of traffic law Violations. The Transportation Article of the Annotated Code of Maryland §16-112 only requires motorists to exhibit their operator's license to uniformed police Officers. The Transportation Article of the Annotated Code of Maryland §13-409 requires the motorist to exhibit the registration card upon demand of any police officer who identifies himself as such.

Note: The Criminal Procedure Article §2-102 does not authorize a police officer to enforce Maryland Vehicle Law beyond the police officer's sworn jurisdiction unless the following exist:

- i **The department has a mutual aid agreement with the jurisdiction the officer is attempting to enforce a Maryland Vehicle Law in;**

- ii **the police officer is participating in a joint investigation with officials from another law enforcement unit, at least one of which has local jurisdiction;**
- iii **The officer is rendering assistance to another police officer;**
- iv **The police officer is acting at the request of a police or State Police officer; or**
- v **An emergency exists; and**
- vi **The police officer is acting in accordance with Department policy and procedures.**
 - o **It should be noted that in this case an “emergency” is “a sudden or unexpected happening or an unforeseen combination of circumstances that calls for immediate action to protect the health, safety, welfare, or property of an individual from actual or threatened harm or from an unlawful act.” Judicial review of cases related to suspected DUI and the like have routinely been returned to interpret the statute as not permitting an officer’s extra jurisdictional enforcement in such circumstances.**

IV. MAINTENANCE, APPEARANCE AND EQUIPMENT:

- B. Officers will keep the interior of their vehicle **uncluttered, clear of trash and** clean and will wash the exterior once a week or as necessary to keep the vehicle clean.

26. ATTACHEMENT “H”

Proposed FY2025 Scale																							
EACH STEP 1 - 10 is 4% and 10 - 19 is 3%																							
GRADE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19				
P10	65,000	67,600	70,304	73,116	76,041	79,082	82,246	85,536	88,957	92,515	95,291	98,149	101,094	104,127	107,251	110,468	113,782	117,196	120,711				
P11	69,875	72,670	75,577	78,600	81,744	85,014	88,414	91,951	95,629	99,454	102,438	105,511	108,676	111,936	115,294	118,753	122,316	125,985	129,765				
P12	75,116	78,120	81,245	84,495	87,875	91,390	95,045	98,847	102,801	106,913	110,120	113,424	116,827	120,331	123,941	127,660	131,489	135,434	139,497				
P13	80,749	83,979	87,338	90,832	94,465	98,244	102,174	106,261	110,511	114,931	118,379	121,931	125,589	129,356	133,237	137,234	141,351	145,592	149,959				
P14	91,489	95,149	98,954	102,913	107,029	111,310	115,763	120,393	125,209	130,217	134,124	138,148	142,292	146,561	150,958	155,486	160,151	164,955	169,904				
								*Lateral hires may be hired in up to P10 step 8 based on years of experience.															

27. **NEW ATTACHEMENT “I”**

Adds service purchase for lateral hires when hired

NOTE: There are some placeholders to be worked through in new Attachment I.

Service Purchase Program Basics

- **Eligible prior service: service in the United States Armed Services or law enforcement.**
- **Minimum / Maximum service: no less than one (1) year and no more than three (3) years; service purchase may be in one (1), two (2), or three (3) year increments (no partial years); the three (3) year maximum is a combination of military and law enforcement service.**
- **Purchase requirements:**
 - **participant must pay the actuarially determined amount for employee and employer contributions to the City Plan that would have been made had the service been with the City; this will include employee and employer contributions, and interest.**
 - **purchase payments must be made in full within six (6) months of approval of participation in the Program.**
 - **payment may be made by lump sum or a series of installments, subject to the six (6) month time frame.**
- **The purchased service can be used to attain years of service for pension benefit calculations only; purchased service cannot be used to make DROP eligibility earlier than actual years of service to the City.**

Example

- **Employee hired by the City with a salary of \$65,000 purchasing three years of service**
- **Employee participating in the Service Purchase Program would be required to pay \$39,214.50 in contributions and \$5,892.22 in interest (8%), for a total of \$45,106.72, subject to actuarial true ups.**

Service Purchase Program Language

(a) Definitions. For the purposes of this section, the following words and phrases shall have the meaning ascribed to them in this subsection unless a different meaning is clearly indicated by the context:

- **“Full Actuarial Cost” means the cost to be paid for purchased service in order to achieve cost neutrality to the Plan as determined by the Board’s actuary.**

-

“Full-time Service” means a minimum of 12 months of uninterrupted service with (1) an eligible public law enforcement agency, excluding part-time service; or (2) the armed forces of the United States, excluding part-time service.

“Service Purchase Program” means the voluntary program that allows members to purchase service with the City of Annapolis Police and Fire Retirement Plan (Plan) on the terms and conditions established in this section.

- “Purchased Service” means service purchased under the Service Purchase Program. Purchased service shall be treated as “years of service”, as that term is defined in the various tiers of the Plan, for the purpose of computing the amount of a member’s service pension and any survivorship pensions based on that pension.

- “Specified Date that Benefits Will First Become Payable” means the date that the member expects either to retire on a service pension or to enter DROP and shall be specified by the member at the time service is purchased.

- “True Up” means the requirement that the full actuarial cost for the purchased service shall be recalculated as of the date that benefits first become payable when (1) a member has made an advance purchase, (2) the retirement or DROP entry date differs from the date specified when the purchase was made, (3) there is a change in the member’s known eligible survivors or (4) the member’s actual pension base differs from the estimated pension base. The purpose of a true up is to assure that the member pays the full actuarial cost so that the Service Purchase Program will be cost neutral to the Plan. The actuarial assumptions used in the true up shall be those in effect at the time the purchase was initially made.

- (b) Participation in the Program. Service purchases under the Service Purchase Program must be initiated and finalized prior to the date a member enters DROP or retires, whichever occurs first. Members cannot purchase service after entering DROP, retiring, or being recalled or reactivated. Purchased service may not be used to attain DROP eligibility. The Board may limit or prohibit member participation in the Service Purchase Program to the extent required to comply with any federal law.

- (c) Cost Neutrality. The member shall be required to pay the full actuarial cost of the purchased service as determined by the Plan’s actuary based upon the additional benefits available from the Plan as a result of the purchased service without taking into consideration incidental administrative expenses incurred by the Plan.

- In determining the purchase cost, the actuary shall determine the full actuarial cost utilizing the actuarial assumptions in effect for the Service Purchase Program at the time of purchase and taking into consideration the additional benefits that may be provided by the Plan as a result of the purchased service. Factors to be considered by the actuary shall include, as applicable: the member’s age; the date benefits will first become payable (the

specified date or the actual date); the number of known eligible survivors; the ages of any known eligible survivors; the member's pension base (estimated or actual); the investment earnings rate that is assumed to accrue to the Plan on the member's Service Purchase Program payments; and any other factors that are relevant to cost neutrality. For all Service Purchase Program purposes, the date a member enters DROP shall be considered the date that benefits first become payable, notwithstanding that no benefits are actually paid to the member until he or she terminates employment and exits DROP.

A member's cost for the purchase of service may differ from the amount determined in advance if a true up is required. A purchase is finalized when the member has paid the full cost for the service purchased, including any adjustment in cost or service required as a result of a true up. In the event that the member's pension base changes after the member's purchase has been finalized, a pension base adjustment shall be made by adjusting the years of service, retroactive to the date that benefits first became payable, so that the amount of the monthly benefit purchased remains unchanged.

- The _____ shall conduct periodic reviews of the program every _____ years to ensure that the program is cost neutral to the City. Cost neutrality shall be determined with regard to the additional benefits provided by the Plan as a result of purchased service, without taking into consideration any incidental administrative expenses incurred by the Plan.

- (d) Service Eligible for Purchase. A member may purchase service under the Service Purchase Program with any public entity subject to the following limitations:

- (1) Only full-time service may be purchased.

- (2) No more than a total of three years of service may be purchased.

- (3) Service with a branch of the United States military service may be purchased only if the member was honorably discharged.

- (4) Service with any bona fide police agency may be purchased only if the member was not terminated for cause.

- (5) Service for which the member is eligible, or may become eligible, to receive a retirement benefit from another entity may not be purchased unless federal law requires otherwise. This prohibition shall not apply when a member ceases to be eligible for benefits from a prior plan due to a withdrawal of the member's funds or a waiver of benefits.

- (6) Service may not be purchased if the benefits payable as a result of this additional service purchase would cause the member's benefits to exceed the Internal Revenue Code Section 415(b)(1)(A) limits at the time of retirement and result in benefits being paid to the member from the _____, rather than the Plan.

In the event that purchased service is determined to be ineligible for purchase (due to a violation of one or more of these limitations) prior to the date that the member terminates employment, the purchase of the ineligible service shall be rescinded and the member shall be refunded the payments attributable to the purchase of this ineligible service, with interest, payable upon the earlier of the member's death or termination of employment. A purchase of service may not be rescinded after service pension benefits have actually been paid to the member, but may be rescinded during the period that the member is in DROP, with an appropriate adjustment in the amount of the payments made into the member's DROP account retroactive to the date of entry into DROP.

(e) Restrictions Applicable to Purchased Service. Purchased service shall be included in a member's years of service only for the purpose of calculating the amount of the member's service pension and any survivorship benefits based upon the member's service pension entitlement, provided that the total years of service used to calculate a member's service pension shall never exceed _____ years. However, should a member who purchased service and either entered DROP or retired on a service pension subsequently be retired on a disability pension, unless the service purchase has been revoked as provided in Subsection (g)(5), the purchased service shall be included in the member's years of service to the extent applicable for purposes of computing the minimum disability pension payable based upon the member's service and any survivorship benefits payable in the event of the member's death. Purchased service shall not count as service for purposes of the contribution provisions of any of the tiers of the Plan and does not excuse a member from making the contributions required by the member's tier. Purchased service shall not count as years of service for purposes of any of the benefits provided in in the City of Annapolis Code. Purchased service shall not count to establish eligibility for service or disability retirement or eligibility to enter DROP.

(f) Methods of Purchasing Service. A member may enter into a written agreement with the Plan to purchase service by a lump sum payment or on an installment basis through payroll deductions or by both.

Lump sum payments may be paid in cash or by a direct rollover from the City's Deferred Compensation Plan or by a combination of these methods.

Installment payments shall be made by payroll deduction on a post-tax basis pursuant to the terms of the member's written agreement with the Plan. An installment payment agreement may be initiated or ended by a lump sum payment. While a member may terminate a payroll deduction agreement at any time and cease to make further payments, a member shall not be allowed to enter into another written agreement to purchase any service covered by the terminated agreement. If a payroll deduction agreement is terminated then, at retirement or entry into DROP, whichever occurs first, the member may elect to receive

pro-rated service based on the payments already made or to revoke all of the purchase and receive a refund as provided in Subsection (g)(6).

At the time a member is provided with a cost estimate for the purchase of service, the member shall be advised of the interest rate that will accrue on any unpaid balance if not paid in full by a specified date. The interest rate that a member shall be charged on the unpaid balance of any purchase agreement shall be the same rate as the investment earning rate assumption applicable to advance purchase payments at that time.

All advance purchases are subject to being trued up at the time benefits first become payable. If the member's trued up cost is less than the amount that the member has paid, including assumed investment earnings, the difference may be refunded to the member or used to purchase additional eligible service. If the member's trued up cost exceeds the amount that the member has paid, including assumed investment earnings, the member may make a lump sum payment prior to retirement to complete the service purchase or receive pro-rated service based on the amount already paid. In addition, when a true up is required, a member may always elect to revoke all of the purchase and receive a refund as provided in Subsection (g)(6).

A member may only enter into one written agreement to purchase a specific period of service. Once a member has paid to purchase service, these payments may not be refunded except as provided above or in Subsections (d) and (g). A member shall not be paid a refund until the member terminates employment.

(g) Refund of Payments. A member's payments to purchase service shall be refunded only as provided in Subsections (d) and (f) above or as provided below:

(1) In the event a member terminates employment other than by retiring on a service pension, all payments made by the member under the Service Purchase Program, including interest, shall be refunded to the former member upon request and the purchase agreement shall be revoked. A former member who becomes eligible for a deferred service retirement may elect, instead of taking a refund, to retain credit for that portion of the service purchased by the amount already paid, based upon a true up of the cost. In the event the former member dies prior to electing either a refund or a deferred service retirement including purchased service, all payments made under the Service Purchase Program, including interest, shall be refunded to the former member's designated Service Purchase Program beneficiary or, if none, to the former member's estate.

(2) If a member dies prior to entering DROP or, if not in DROP, prior to retiring, and leaves no eligible surviving spouse or domestic partner, all payments made by the member under the Service Purchase Program, including interest, shall be refunded to the member's designated Service Purchase Program beneficiary or, if none, to the member's estate and the purchase agreement shall be revoked.

(3) If a member dies prior to entering DROP or, if not in DROP, prior to retiring, and leaves an eligible surviving spouse or domestic partner, all payments made by the member under the Service Purchase Program, including interest, shall be refunded to the member's designated Service Purchase Program beneficiary or, if none, to the member's spouse or domestic partner and the purchase agreement shall be revoked, provided that the eligible surviving spouse or domestic partner may elect to retain part or all of the purchased service, in which case the full actuarial cost shall be trued up based on the benefits that will be provided to the survivor and only that portion of the payments and interest exceeding the trued up cost for the retained purchased service shall be refunded as set forth above.

(4) Should a member, as a result of purchased service, accrue more than _____ years of service for service pension calculation purposes, upon termination of employment the member shall be refunded the amount that was paid to purchase this excess service, including interest.

(5) Provided a member has not retired on a service pension prior to being approved for a disability pension, the service purchase agreement shall be revoked and the member refunded all payments, including interest, when the member terminates employment by retiring on a disability pension. However, if a member forfeits their DROP account in order to receive a disability pension, the member may elect to retain the service purchased under the Service Purchase Program instead of receiving a refund. There is no right to revoke the service purchase agreement and receive a refund if the member retired on a service pension prior to being granted a disability pension.

(6) When a member's full actuarial cost for an advance purchase is trued up at the time that benefits first become payable, the member may elect to revoke the purchase and receive a refund of all payments, including interest, upon termination of employment.

Unless a refund is authorized as provided in this subsection or Subsections (d) or (f), payments made to purchase service shall not be refunded. To the extent that a refund is authorized and made, the service purchase shall be revoked accordingly.

After a member enters DROP, no portion of the purchase price shall be refunded unless the member qualifies for a refund under Paragraph (5) of this subsection or under Subsection (d) related to the purchase of ineligible service. After a member retires on a service pension, none of the purchase price shall ever be refunded.

(h) The City May Modify or Terminate the Program. The City Council may review the costs and usefulness of the Service Purchase Program for recruitment and retention purposes. The City Council may modify or terminate the program in the manner authorized by _____. In the event the program is modified or terminated, agreements to purchase

service that were entered into prior to the program's modification or termination shall continue to be honored as provided in _____.

(i) Board Administration of the Program. The Board shall administer the Service Purchase Program and adopt all rules necessary to implement the program. The Board shall periodically review and approve the assumptions, including the investment earning rate assumptions applicable to advance purchase payments, and the methodology to be used by the Board's actuary to determine the full actuarial cost for this benefit that will be charged to the members. The Board shall establish the amount of interest and the manner in which this interest is credited on Service Purchase Program payments for refund purposes, provided that the amount of interest shall not exceed that paid on normal contributions to the Plan. The Board shall account for all Service Purchase Program payments and for the additional benefits paid as a result of Service Purchase Program purchases in a manner that will allow the Board to periodically review the program to ensure that the program is cost neutral. The Board shall determine any factual questions arising in connection with the program's operation after investigation or hearing as the Board deems appropriate. The Board's decision shall be conclusive and binding on all parties concerned.

(j) DROP Window. Notwithstanding the provisions of Subsection (b), a member who enters DROP during the period of _____, may initiate service purchases under the Service Purchase Program no later than _____, but these purchases must be finalized no later than _____. A purchase of service under this subsection may not be initiated or finalized after a member exits DROP. The member must be in DROP at the time that the service purchase is initiated and finalized.

28. NEW SIDE LETTER: TUITION REIMBURSEMENT PROGRAM

THE CITY OF ANNAPOLIS
and
UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 400
MEMORANDUM OF AGREEMENT
June , 2024

In the spirit of cooperation, and recognizing the mutual desire of the parties to come to agreement on the terms of the Collective Bargaining Agreement (CBA) for the period from July 1, 2024 to June 30, 2026, the parties agree as follows:

1. The City and the Union agree that the parties have reached agreement regarding changes to the CBA for the period from July 1, 2024 to June 30, 2026.

2. The City agrees to seek funding during the FY 25 and FY 26 budget processes to develop a tuition reimbursement program, and if it is funded by the City Council, the City shall notify the Union of the program once it is finalized. The parties agree that the tuition reimbursement program will not be included in the CBA; rather, it is intended to be a City-wide program.

For The City of Annapolis:
Michael Mallinoff
City Manager

Date

For UFCW Local 400:
Mark P. Federici
President

Date

NOTE: Funding has been included for the FY 25 budget process. The side letter will be updated to reflect that change.

29. NEW SIDE LETTER: LATERAL HIRE EXPERIENCE CREDIT

THE CITY OF ANNAPOLIS
and
UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 400
MEMORANDUM OF AGREEMENT
June , 2024

In the spirit of cooperation, and recognizing the mutual desire of the parties to come to agreement on the terms of the Collective Bargaining Agreement (CBA) for the period from July 1, 2024 to June 30, 2026, the parties agree as follows:

1. The City and the Union agree that the parties have reached agreement regarding changes to the CBA for the period from July 1, 2024 to June 30, 2026.
2. The City and the Union agree that, effective July 1, 2024, lateral hires to positions covered by the CBA will not be hired at an initial step greater than Step 8 on the applicable pay scale.
3. This Memorandum of Agreement will expire on June 30, 2026. In connection with negotiations for a successor CBA to the CBA in effect from July 1, 2024 to June 30, 2026, the City and the Union agree to discuss the limitation on lateral hire initial step placement.

For The City of Annapolis:
Michael Mallinoff
City Manager

For Local 400:
Mark Federici
President

Date

Date



Mark P. Federici
President

Christopher Hoffmann
Secretary-Treasurer

8400 Corporate Drive, Suite 200, Landover, MD 20785 301-459-3400
[www. UFCW400.org](http://www.UFCW400.org) [www.twitter.com/UFCW400](https://twitter.com/UFCW400) www.facebook.com/UFCW400