

Tentative Agreement

Between

The City of Sarasota

And

The Dairy Conference United States and Canada

Local Union #173

Affiliated with

The International Brotherhood of Teamsters

Referred to Herein as

Teamsters Local #173

The City of Sarasota and Teamster Local # 173 agree to a three year contract commencing October 1, 2010 and expiring September 30, 2013 with the following terms and conditions:

1. Across the board general wages increases (GWI) applicable to all covered employees who achieve no less than a satisfactory performance evaluation as follows:
 - a. Year 1 - 0% GWI
 - b. Year 2 - 0% GWI
 - c. Year 3 - 3% GWI (Effective 10/ 03 /12) if the City's General Fund assessed taxable valuation for fiscal year 2012-13 increases by 5% or greater over the fiscal year 2011-12 valuation. If the valuation increases by less than 5%, the 3% GWI will be adjusted proportionately. If the valuation decreases, no GWI will be effective.

2. Step and Longevity increases applicable to eligible employees who achieve no less than a satisfactory performance evaluation as follows:
 - a. Year 1 – FY 2010-11 step and longevity increases will be processed retroactive to the eligible employee's effective date for said increases during the current fiscal year.
 - b. Year 2 and 3 – Step and longevity increases will continue for eligible employees.

3. The current defined benefit (DB) pension plan applicable to general employees will be modified as follows effective 09/07/11:
 - a. Eligible employees on the payroll at ratification will have the option to continue in the modified DB plan with the following modifications:
 - i. Pension Multiplier – Normal retirement service earned under the DB plan after 09/07/11 will be credited at 2% for each year of service. Normal retirement service earned prior to 09/07/11 will continue to be credited at 2.5% for each year of service.
 - ii. Cost of Living Adjustments - Cost of living adjustments (COLA) for DB plan service credited after 09/07/11 will be calculated at 2% per year and will begin at either age 65 or at the conclusion of five years of retirement; whichever is most advantageous to the employee. DB service credited before 09/07/11 will be subject to the current DB plan's 3% per year COLA provisions.
 - iii. Average Final Compensation - Average final compensation (AFC) will be calculated using the highest 48 months (4 years) in the last 10 years of employment and excludes any overtime in excess of 300 hours per year. At the time of conversion to the new defined benefit plan, the City will calculate the employee's fixed AFC using the current 36 month (3 year) average (including overtime). The higher of either that fixed AFC or the new 48 month

(4 year) calculation will be used to determine the employee's pension benefit for DB members retiring after 09/07/11.

- iv. DROP – DROP participants entering the DROP plan after 09/07/11 will earn a 2% rate of return on their DROP accounts for the length of time they participate in DROP. Current DROP participants are not affected.
 - v. Vesting in the DB plan will continue to be 10 years of credited service.
- b. Eligible employees on the payroll as of 09/07/11 will also have the options to either:
- i. Convert their frozen DB value on 09/07/11 to the DC plan. Those electing this option will no longer be considered participants in the DB plan OR
 - ii. Leave their frozen DB benefit (as of 09/07/11) in the DB plan and begin participation in the DC plan for service after 09/07/11.
- c. Eligible employees hired after 09/07/11, will accrue future benefits under the DC plan with the following provisions:
- i. Participating employees will contribute 6% of their pension-eligible wages to their DC account. The City will match that contribution by contributing 6%.
 - ii. Employees will have the option to contribute up to an additional 2% to their pension savings. Those choosing this option will have their contribution deposited in their 457 (Deferred Compensation) account. The additional funds an employee's elects to contribute to their 457 account will count toward the Federal contribution limits for 457 accounts. The City will match the employee's additional contribution (up to 2%) by contributing a like amount into the employee's DC account.
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- ii. Eligible employees hired after 09/07/11 will fully vest the City's contributions to the DC plan upon the completion of 5 years service under the new DC plan.

4. Medical plan employee contributions:

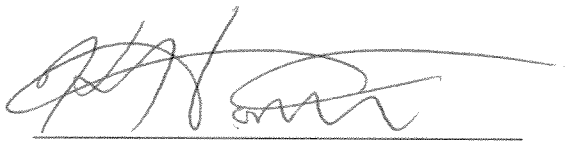
- a. Employees electing single coverage will continue the past practice of having their following year's premiums equal to 1% of their September 30 base pay. This continues for calendar year 2011, 2012, and 2013.
- b. Employee premiums for employees electing employee plus one (E+1) or employee plus family (E+F) coverage for calendar year 2011 will remain at 2010 rates.
- c. E+1 and E+F rates for calendar years 2012 and 2013 will increase by the same percentage as the increase to the Group Medical and Dental Fund claims and stop-loss costs. Rates will be determined by comparing these combined costs thru August 31 to the same period in the previous year. (For example – Should August 31, 2011 claims and stop-loss costs exceed August 31, 2010 claims and stop-loss costs by 3 %, then E+1 and E+F rates for calendar year 2012 will increase by 3 %.) Use of the City's new Employee Health Center will help mitigate cost increases.
- d. In no event will 2012 and 2013 E+1 and E+F employee premiums increase by more than 10% per year during the term of this agreement.

5. Recall rights:

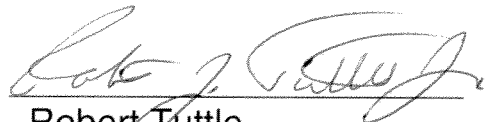
- a. Effective upon ratification, eligible employees will have 18 months recall rights to their former position.

6. Employees with CDL licenses expiring on or after 10/01/11 will be eligible for reimbursement of their renewal fees.

7. Effective 10/01/11, no additional accrual of vacation or Bonus Days will occur after an employee's last day worked, nor will holidays be paid after the last day worked.
8. The City and Union agree to utilize the Labor/Management Committee format to discuss issues pertaining to job changes, privatization, and outsourcing.
9. Up to four Union Stewards will be granted "super-seniority" for the purposes of obtaining employment in the event of a layoff. Designation of those eligible for "super-seniority" will occur annually on October 1 of each subsequent contract year. Turnover of Union Stewards in mid-year may result in the filling of a steward vacancy with the "super-seniority" designation in mid-year.
10. The City and Teamsters Local 173 support continuation of the career ladder program. Funding of this program is not currently available. Future program funding will be reviewed as part of subsequent budgets.



Kurt Hoverter
Director of Human Resources
City of Sarasota



Robert Tuttle
President
Teamster Local 173

Date: July 14, 2011

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