
CITY OF MINNEAPOLIS

And

**AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES,
DISTRICT COUNCIL NO. 5, LOCAL
UNION NO. 9, AFL-CIO
(Water Unit)**

MEMORANDUM OF AGREEMENT

Coalition Bargaining

Paid Family and Medical Leave and Paid Parental Leave

WHEREAS, the City of Minneapolis (“Employer”) and the AFSCME Water Unit (“Union”) are parties to a collective bargaining agreement that is presently in effect (“the Labor Agreement”); and

WHEREAS, a coalition of labor representatives met and negotiated over certain issues relating to the Paid Family and Medical Leave (“PFML”) program established by Chapter 268B of Minnesota Statutes for the purpose of seeking model contract language and a global resolution of PFML issues and other related issues; and

WHEREAS, the Employer and the labor representatives reached a tentative agreement on November 14, 2025; and

WHEREAS, the Employer and Union mutually desire to implement the Tentative Agreement reached in coalition bargaining;

NOW, THEREFORE, the Employer and the Union hereby agree as follows:

1. Paid Family Medical Leave (PFML).

- a. Amendment to Labor Agreement.** The Labor Agreement shall be amended to add a new Section under Article 14 to read as set forth in Appendix A.
- b. Summary of Terms.** The terms of Appendix A are summarized as follows:
 - i. Paid Family Medical Leave Cost Sharing.** The employee portion of the payroll tax will be no more than 50% of the payroll premium rate set by the State of Minnesota, or will be the amount set forth in a qualifying replacement plan maintained by the Employer, whichever is less.

ii. **Intermittent Leave.** Use of intermittent PFML will be capped at 480 hours in a given benefit year. Any remaining PFML may be taken continuously, subject to the total amount of leave available under statute.

iii. **Supplementation.** The Employer will allow for the use of accrued leave to make up the difference between the PFML benefit and full income replacement.

2. City of Minneapolis Paid Parental Leave (PPL) Benefit.

a. **Amendment to Labor Agreement.** The Labor Agreement shall be amended to add a new Section under Article 14 to read as set forth in Appendix B.

b. **Summary of Terms.** The terms of Appendix A are summarized as follows:

The Employer will amend its Paid Parental Leave Policy and Procedures to allow for the following:

- Subject to City Council and Mayoral approval, PPL will be available in cases of foster care in addition to birth and adoption, as currently provided by Policy, for a maximum of 12 weeks in a given benefit year.
- Intermittent PPL benefits may be taken in increments as permitted under the PFML statute; i.e., more flexible than two-week blocks.
- When an employee is eligible for both PPL and PFML, PPL and PFML use will run concurrently. The employee will be paid under PPL for a maximum of 12 weeks in a given benefit year.

3. Recovery from Stillbirth

Subject to City Council and Mayoral approval, the Employer will institute a policy that addresses recovery from stillbirth:

For an employee who is a regular full-time, seasonal full-time, or regular part-time employee, the Employer will provide supplemental pay for up to four weeks to an employee taking PFML due to the employee's incapacity due to recovery from stillbirth. Recovery supplementation for leave taken under PFML shall be continuous.

The employee will be paid under Recovery leave as a supplement to PFML up to four (4) weeks in a given benefit year.


4. **Entire Agreement.** The parties agree that this Letter of Agreement constitutes the entire agreement between the parties on the matters addressed herein and it fully supersedes any and all prior agreements or understandings between them relating to the subject matter contained herein.

5. **Incorporation of Amendments to Successor Labor Agreement.** The amendments to the Labor Agreement specified in the attached appendices shall automatically be

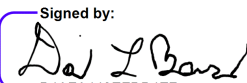
incorporated into the successor to the Labor Agreement without further negotiation.

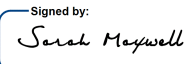
6. **Labor Agreement Remains in Effect.** The Labor Agreement remains in full force and effect, except as expressly modified by the Agreement and Appendices.

FOR THE CITY OF MINNEAPOLIS:

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	12/11/2025
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Rasheda Deloney	Date
Director, Labor Relations	

FOR THE UNION:

<small>Signed by:</small>	
	12/11/2025
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David Bard	Date
Business Representative	

<small>Signed by:</small>	
	12/10/2025
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Sarah Maxwell	Date
President	

APPENDIX A

New Section under Article 14 – Paid Family and Medical Leave

The eligibility for and benefits available to eligible employees for Paid Family and Medical Leave (“PFML”) are as established by Minn. Stat. Ch. 268B. The following provisions are to clarify the application of PFML. Accordingly, the requirements of State Law shall apply to PFML, except as provided below and to the extent such provisions below are more favorable to employees than as required by law.

Subd. 1. Contributions.

Employees shall pay through payroll deduction the lesser of fifty percent (50%) of: payroll premium rate set by the State of Minnesota; or the amount set in a qualifying replacement plan maintained by the Employer.

If the Employer self-insures, it shall meet with labor representatives at least once per year prior to setting plan rates for a subsequent year to disclose and discuss: the costs of claims paid during the previous year; the administrative costs attributed to the plan; and the actuarial calculations used to determine the amount to be paid by the employer and employees for the subsequent year.

Subd. 2. Intermittent Leave.

An employee may request to use PFML leave intermittently. However, intermittent leave shall not exceed the following in any calendar year: 480 hours of paid leave for non-exempt employees; 656 hours for firefighters working 24-hour shifts; or 60 days for exempt employees. PFML leave may be taken intermittently in the following increments: for non-exempt employees – one-quarter of an hour; for exempt employees – one day or, at the election of the employee, such other amounts as may be allowed under FLMA and the FLSA. An employee requesting leave taken intermittently shall provide the employer with a schedule of needed workdays off as soon as practicable and must make a reasonable effort to schedule the intermittent leave so as not to disrupt unduly the operations of the employer.

Subd. 3. “Top-Off” for Salary. An employee on PFML may use their accrued vacation, sick leave, or compensatory time banks to be paid the difference between their regular bi-weekly pay and the amount of benefits paid pursuant to PFML. If a holiday falls during the period of PFML leave, it shall not extend the period of PFML leave.

Subd. 4. Use of Other Benefits Not a Prerequisite.

Employees are not required use or exhaust their accrued vacation, sick leave, or compensatory time prior to applying for or receiving PFML benefits.

APPENDIX B

New Section under Article 14 – Paid Parental Leave; Recovery Leave from Stillbirth

The parties agree that if the Employer proposes to reduce or eliminate Paid Parental Leave as approved by the City Council on August 18, 2022, and amended November 6, 2025, such changes are subject to negotiation pursuant to Minn. Stat. § 179A.03, subd. 19. Paid Parental Leave is a paid time off benefit available in lieu of Paid Family and Medical Leave as referenced in Minn. Stat. § 268B.06, subd. 5.

The parties agree that if the Employer proposes to reduce or eliminate Recovery Leave from Stillbirth as originally adopted by the City Council, and any enhancements thereto by subsequent action(s) of the City Council; such reduction or elimination is subject to negotiation pursuant to Minn. Stat. § 179A.03, subd. 19. However, if state law is amended such that it no longer provides for paid family and medical leave for incapacity due to recovery from stillbirth, the City's Recovery Leave Policy shall be null and void, and all benefits under it shall cease.