



City of Troy

Date: February 22, 2006
To: John Szerlag, City Manager
From: Peggy E. Clifton, Human Resources Director
Re: **Agenda Item** – Contract Ratification - Troy Fire Staff Officers Association (TFSOA) and City of Troy

RECOMMENDATION

City management supports and recommends approval of the tentative agreement for a three-year collective bargaining agreement between the City of Troy and the Troy Fire Staff Officers Association.

BACKGROUND

On February 20, 2006 the TFSOA membership ratified a tentative agreement for a three-year collective bargaining agreement between the City of Troy and TFSOA. This agreement will replace the contract that will expire June 30, 2006.

This agreement is the 9th collective bargaining agreement to be achieved using the Interest-Based Bargaining method in which both sides discuss possible solutions to “issues” rather than holding to “positions” or “demands”. This process has enabled the parties to settle contracts in considerably less time and while improving and maintaining excellent relationships with the employees and their bargaining representatives.

This tentative agreement provides a mutually satisfactory solution to the issues raised by both parties in negotiations, and continues to bring more consistency in benefits among employee groups, including implementation of cost-saving measures, consistent with our stated goals. We have succeeded in adopting some significant cost savings in health insurance, retiree medical insurance and pension areas. The proposed wage increase is consistent with both the external market and internal employee group adjustments, and permits us to maintain a competitive position with our comparable communities. A summary of the tentative agreement is attached for your review.

PEC/bjm

Attachment

TENTATIVE AGREEMENT SUMMARY
City of Troy and TFSSOA
2006-2009 Collective Bargaining Agreement

<u>ISSUE</u>	<u>SOLUTION</u>
Wages	3% per year, 3 year contract
Retiree Medical Insur.	<ul style="list-style-type: none">a. Clarified eligibility for retiree health insurance and definition of "two person coverage"b. For employees hired after 7/1/06, retiree health insurance replaced with a Retirement Health Savings (RHS) plan; contribution rates: employer - 4%, employee - 2%
Hospitalization/Medical Insur.	<ul style="list-style-type: none">a. Cash payment to employees who opt out of health insurance reduced to \$250/mo. from \$420b. Eliminated dual coverage for employees who are married to each other, and the spouse who opts out of health insurance is not eligible for cash-in-lieu payment (with the exception of current employees receiving the cash-in-lieu payment).c. Co-payment for prescription drug rider (PDR) increased from \$5 (for all drugs) to \$5/\$10 (for generic/brand name drugs) for all employees.
Retirement	<ul style="list-style-type: none">a. Reduce employer contribution for the DC plan for new hires by 1% (from 11% to 10%)b. Clarified application of disability plan for participants in a defined contribution plan
Tuition Reimbursement	Amount of tuition reimbursement increased to 100% (from 50%) up to a maximum of \$2500 per fiscal year (changed from an unlimited amount), for any Associates or Bachelors degree that is organizationally related

Added Entry Level Classification Fire Staff Technician

- a. Minimum requirement: currently active member with at least 5 years volunteer department service
- b. Salary Schedule:
 - Start: \$38,000
 - Step 1 \$43,000
 - Step 2 \$48,000
 - Step 3 \$53,000
 - Step 4 \$58,000