



CITY COUNCIL AGENDA ITEM

Date: July 31, 2014

To: Brian Kischnick, City Manager

From: Jeanette Menig, Human Resources Director

Subject: **AGENDA ITEM** – Contract Ratification – Troy Command Officers Association (TCOA) 2014-2019

BACKGROUND

The City of Troy and Troy Command Officers Association (TCOA) recently reached a tentative agreement for a five-year successor collective bargaining agreement to replace the contract that expired June 30, 2014.

As seen in the attached Tentative Agreement Summary, this agreement provides for a wage increase (some of which is in the form of a lump sum payment) changes to active employee health insurance and a modification to the calculation for paid health insurance in retirement.

Consistent with agreements ratified with our other bargaining units, this agreement eliminates the HMOs and moves the entire group to the Blue Cross Blue Shield Community Blue PPO health insurance plan. Aligned with other employee groups, TCOA members will be contributing 5.0% of the premium. With the entire bargaining unit accepting Community Blue PPO, there would be an opt-out of PA 152 for five years (2014, 2015, 2016, 2017 and 2018).

Changes to retiree health insurance (for those hired prior to the implementation of the Retiree Health Savings Plan) will reduce the City's future liability: the accrual of employer-paid retiree health insurance will decrease from 4% to 3% for each future year of service, and the maximum is reduced from 100% to 90%. These changes will be implemented as new members enter the bargaining unit.

Also notable is the addition of a biennial physical exam incentive program which mirrors the program already in place for Police Officers.

RECOMMENDATION

City management supports and recommends approval of the tentative agreement between the City of Troy and the Troy Command Officers Association (TCOA) for a five-year successor collective bargaining agreement that will replace the contract that expired June 30, 2014.

A summary of the tentative agreement and the resulting contract language changes are attached.

TENTATIVE AGREEMENT SUMMARY
City of Troy and TCOA
2014-2019 Collective Bargaining Agreement
(With Side-by-side Comparison where applicable)

ISSUE	CURRENT	TENTATIVE AGREEMENT
Contact Duration		Five years
Wages		Upon ratification 1% plus \$500 signing bonus July 1, 2015 1% plus \$250 lump sum July 1, 2016 1% plus \$250 lump sum July 1, 2017 1% plus \$250 lump sum July 1, 2018 1% plus \$250 lump sum
Health Insurance	<ol style="list-style-type: none"> 1. Blue Cross CB PPO, BCN & HAP <ol style="list-style-type: none"> a) \$10/40 generic/brand Rx b) 2x MOPD (\$20 co-pay for 3 mo Rx supply) c) \$30 office visit co-pay; \$50 ER co-pay (waived if admitted) d) \$250/\$500 basic deductible (PPO) 	<ol style="list-style-type: none"> 1. Eliminate HMO's 2. 5% employee premium cost-share 3. For employees entering the unit, cash in lieu of health insurance equals what they currently receive, but not more than \$250/mo. 4. City selects PA 152 Local Government Opt Out for 2014, 2015, 2016, 2017, 2018
Retirement	Accrual of employer-paid retiree health insurance is 4% per year of service, up to 100% maximum	Upon promotion into the unit, accrual of employer-paid retiree health insurance is 3% for each future year of service, up to 90% maximum. (Only for those already eligible).
Physical Exam Incentive		Receive 20 hours of additional holiday leave each year for submitting proof he/she passes a biennial physical exam.
Miscellaneous		Changes regarding process for overtime distribution and use of accrued vacation time.

TENTATIVE AGREEMENT
City of Troy and TCOA
2014-2019 Collective Bargaining Agreement

Article 18. OVERTIME

- A full ten (10) or eight (8) hour shift shall be granted on a voluntary seniority basis by rank to the remaining supervisors assigned to that shift or work unit where the overtime is occurring. The overtime shall be equalized among the supervisors of each shift or work unit.
- In the event no supervisor remaining on the shift or work unit volunteers to work the overtime, it shall be offered by seniority to the remaining Division supervisors without seniority equalization.
- In the event that there is an error by management in offering overtime, such error shall be corrected only by offering that amount of hours to the aggrieved supervisor when such overtime next becomes available in accordance with section 18.H.
- Operations Division overtime for working a shift to fulfill five (5) hour minimum staffing requirements, or "time of day minimum staffing," shall be equalized as close as may be practical among all Operations Division Lieutenants and Sergeants, to include any positions under the chain of command of the Operations Division, with the Union being responsible for drafting the procedures for implementation and maintaining a record of the accumulation of overtime.

Article 28. VACATION

Remove paragraph 2 in subsection C that requires taking a 40 hours in a consecutive fashion.

Article 32. HOSPITALIZATION AND MEDICAL INSURANCE

Active Employee Medical Insurance

- Only one plan available – current Community Blue PPO (eliminate HMOs)
- Employees pay 5.0% of the premium
- Employees promoting into the unit after July 1, 2014 who are already opting out of medical insurance will receive the amount they are currently receiving, or \$250 per month, whichever is less.
- City Council Opt's out of PA 152 for 2014-15, 2015-16, 2016-17, 2017-18, 2018-19.

Retiree Medical Insurance

- For employees promoting into the unit after January 1, 2015 the calculation will change as of the date each Officer enters the unit. His previous accrual will be frozen and for the additional (future) years, the calculation will become 3% per complete future year of service. The maximum be capped at 90%. An Officer entering the unit whose calculation already equals or exceeds 90% will be frozen at that percentage and will not accrue additional percent per year of service.
- Officers participating in Retirement Health Savings (RHS) plan will remain in the RHS.

Article 33. PHYSICAL EXAMINATION

Each officer will receive 20 hours of holiday leave for the first year and 20 hours for the following year if he passes a biennial physical exam and provides documentation that he has passed the physical.

Article 38. WAGES

Effective date of ratification:	1% across the board increase + \$500 lump sum bonus
Effective 7/1/2015:	1% across the board increase + \$250 lump sum bonus
Effective 7/1/2016:	1% across the board increase + \$250 lump sum bonus
Effective 7/1/2017:	1% across the board increase + \$250 lump sum bonus
Effective 7/1/2018:	1% across the board increase + \$250 lump sum bonus

Article 43. DURATION OF AGREEMENT

5 year agreement

There shall be a reopener at either party's request on the sole issue of wages for July 1, 2017 and/or July 1, 2018.

FOR THE UNION:

FOR THE CITY:

Date: _____

Date: _____