



CITY COUNCIL AGENDA ITEM

Date: July 8, 2015

To: Brian Kischnick, City Manager

From: Jeanette Menig, Human Resources Director

Subject: Contract Ratification – Michigan Association of Police (MAP) 2015-2018
(Introduced by Jeanette Menig, Human Resources Director)

History

The Michigan Association of Police (MAP) represents the City of Troy's clerical and non-sworn police personnel. The City of Troy and MAP recently reached a tentative agreement for a three-year successor collective bargaining agreement to replace the contract that expired June 30, 2015.

Financial

As seen in the attached Tentative Agreement Summary, this agreement provides for a wage increase, an increase in shift premium rates and an increase in the City's percent contribution to the employees' Defined Contribution retirement accounts. Additionally, a tuition reimbursement plan was reinstated.

The City will realize savings from the elimination of double time paid on an employee's seventh consecutive work day and will have potential future savings from the elimination of a \$400 minimum responsibility for health care premiums in retirement (for those employees who qualify).

We are pleased that the union recognized the unpredictability of future health care taxes and agreed to include a re-opener on health care, if needed, to address issues related to the "Cadillac tax" which could impact the City in 2018.

Recommendation

City management supports and recommends approval of the tentative agreement between the City of Troy and MAP for a three-year collective bargaining agreement for the period July 1, 2015 to June 30, 2018.

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

TENTATIVE AGREEMENT SUMMARY
City of Troy and MAP
2015-2018 Collective Bargaining Agreement
(With Side-by-side Comparison where applicable)

ISSUE	CURRENT	TENTATIVE AGREEMENT
Contact Duration		Three years
Wages		Upon ratification 2% July 1, 2016 1% plus \$400 lump sum July 1, 2017 1% plus \$400 lump sum
Retirement	Employer Contribution to DC: Employees hired 12/21/98 – 2/6/05 8% Employees hired on/after 2/7/05 7%	Employer Contribution to DC: Employees hired on/after 12/21/98 8.25%
Health Insurance in Retirement	In retirement employee receives % of health insurance premium paid by the City (as computed based on years of service to a maximum of 90%) with a guaranteed minimum of \$400/mo.	Guaranteed minimum removed.
Shift Premium	\$.35/hr. afternoons and \$.45/hr. midnights	\$.40/hr. afternoons and \$.50/hr. midnights
Overtime	Employee paid 2x time for work on 7 th consecutive day.	7 th consecutive day, if worked, will be compensated at regular overtime (1.5x) rate.
Sick/Vacation Leave	Must be on payroll 15 days in a months to accrue time.	Must be on payroll 20 calendar days in a month to accrue time.
Health Insurance		Reopener for Health Insurance, if needed, regarding the “Cadillac tax.”
Tuition Reimbursement		Reinstated previous plan; increased maximum reimbursement per fiscal year by \$500 (to \$2,500/pp) and clarified conditions of repayment.
Miscellaneous		Clarified leave time provisions in layoff situations. Other language cleanup to bring contract language up to date.

TENTATIVE AGREEMENT
City of Troy and MAP
2015-2018 Collective Bargaining Agreement

ARTICLE XVI. LAYOFFS AND RECALL

59. Layoff shall be by total seniority of City employment. The following procedure shall govern the layoff of employees:

- A. With the exception of employees in the City Clerk's Office, seasonal, temporary, part-time, and probationary employees (in that order), performing Bargaining Unit work, shall be laid off first within a classification in a department before the layoff of any Bargaining Unit members within that classification. The City Clerk's office (only) may have part-time employees while full-time employees are laid off so long as part-time positions are offered to laid off full-time employees first. When an employee exercises bumping rights into a classification as a result of a layoff as explained above, the seasonal, temporary, part-time, and probationary employees within the department (in that order) who perform Bargaining Unit work shall be laid off before the layoff of any bargaining unit members within that classification.
- B. Thereafter, seniority employees who are serving a trial period in a classification shall be removed from that position in order of their date of entry into such classification and shall be returned to their former classification, provided they have sufficient seniority.

C. Employees with accrued but unused sick and vacation time will be paid out for such unused time upon layoff.

60. When the working force is increased after a layoff, the employees shall be called back in reverse order of the Layoff Section. The employees shall be returned to the same pay step that they were on at the time of the layoff. **Employees will return to their previous accrual levels for vacation leave; layoff time is not included in the calculation of for determining an employee's vacation accrual level.**

ARTICLE XX. WORK WEEK

71. The Employer shall establish the working hours for each position in order to meet operating requirements within the schedule below:

- A. Day Shift – either 8 or 10 consecutive hour schedules shall start between the hours of 7:00 AM through 9:00 AM.
- B. Afternoon Shift – either 8 or 10 consecutive hour schedules shall start between the hours of 3:00 PM through 5:00 PM.
- C. Midnight Shift – either 8 or 10 consecutive hour schedules shall start between the hours of 9:00 PM through 12:00 AM.

D. Fourth Shift – either 8 or 10 consecutive hour schedules shall start between the hours of 12:00 PM through 3:00 PM.

DE. Animal Control Officer classification will be subject to varied hours winter and summer.

ARTICLE XXI. OVERTIME

73. Employees will be paid two times their regular hourly rate for all overtime hours worked on:

~~A. The employee's 7th work day when the employee has worked 7 consecutive days.~~

~~B. H~~olidays (when the holiday is not a part of the employee's regular work schedule). For purposes of this section, the holiday shall be the actual holiday, not the designated day when a holiday falls on a weekend.

ARTICLE XXIII. VACATION LEAVE

87. For purposes of this Article, an employee must have been on the Employer's payroll for at least ~~45~~ **20 calendar** days within a month to accrue a vacation leave for such month. Except as provided in Section 51, Seniority, an employee shall be deemed on the payroll for a day if he/she receives compensation from the Employer for such day or part of a day.

ARTICLE XXIV. SICK LEAVE

94. An employee shall accrue 8 hours of sick leave for each month he is on the Employer's payroll ~~as defined in Section 87 of Article XXIII (Vacation),~~ **for at least 20 calendar days within a month** beginning with the first full calendar month of service. If an employee is receiving benefits from an insurance carrier as a result of his sickness or disability, his sick leave allowance shall be used to supplement such insurance benefits as provided in Articles XXVIII, XXIX, and XXX.

ARTICLE XXVII HEALTH INSURANCE

109. All employees covered by this contract shall be entitled to the following insurance coverage subject to the terms and conditions set forth herein and the insurance contract between the Employer and its insurance carrier:

~~E. The City shall opt out of PA 152 for two years (2013-14 and 2014-15). The City and the Union agree to reopen the contract regarding the Federal "Cadillac Tax" impact on health care only.~~

ARTICLE XXVIII. SHORT-TERM AND LONG-TERM DISABILITY INSURANCE –
WORK RELATED INJURY

111. The parties to this agreement understand that Worker's Compensation benefits are paid in accordance with applicable Worker's Compensation laws of the State of Michigan, but that supplemental payments for the first thirty (30) days are made subject to the employee:

- A. Immediately upon reasonable knowledge of the injury, reporting the injury to his immediate supervisor;
- B. Completing the appropriate forms documenting the injury and cause of same;
- C. Treating with the City designated clinic ~~for the first ten (10) days~~ after the injury or disability **pursuant to the current Michigan Worker's Compensation law (currently 28 days);**

ARTICLE XXXI. RETIREMENT

B. Defined Contribution Plan: Employees hired on or after 12/21/98 shall participate in the Defined Contribution (DC) Pension Program. The DC plan is elective for employees hired before 12/21/98.

1. Contribution rates:

Current employees:

Employee	4%
Employer	9%

Employees hired on or after 12/21/98:

Employee	5%
Employer	8% 8.25%

~~Employees hired on or after 2/7/05:~~

Employee	5%
Employer	7%

E. 1. Upon regular retirement, early retirement or disability retirement, employees may be eligible for retiree health insurance. For employees retiring after July 1, 2004~~15~~, the City pays 4% of the monthly cost of retiree health care for credited retirement service with the City of Troy **(for service after 7/1/2013 the percent decreases to 3% per year of future service) to a maximum of 90% or \$400 per month, whichever is greater**, for two (2) person coverage for retiree, spouse at the time of retirement, or a dependent child, provided that the retiree or spouse is drawing pension benefits pursuant to the City of Troy Retirement Ordinance. A retiree may pay, at his/her own option and expense, the difference between a two-person and family rate.

~~Effective 7/1/2013, the City pays 3% for each future year of credited service to a maximum of 90%.~~ Current employees who as of 7/1/2013 would be eligible for 90% or more of City paid health insurance shall not have that amount reduced as a result of this paragraph.

ARTICLE XXXIV. SHIFT PREMIUM

126. Employees regularly scheduled by the City to work on the afternoon or midnight shift shall receive a shift premium as provided below for each such regularly scheduled day. The shift premium shall be as follows:

Afternoon Shift	\$.35/hr. .40/hr
Midnight Shift	\$.45/hr. .50/hr

APPENDIX A - WAGES

2015 2%

2016 1% with \$400 lump sum

2017 1% with \$400 lump sum

New Article:

TUITION REIMBURSEMENT

###. A seniority employee may be eligible for tuition reimbursement under the following conditions:

- A. Reimbursement shall be for 100% of such employee's actual tuition cost and shall not duplicate any financial aid such as scholarships, grants and aids, GI Bill, etc.
- B. Reimbursement shall be tuition costs only and shall not include other fees, books, or any other expenses.
- C. Courses included in this program must be required for an Associates degree, Bachelor's degree, or a certificate program that is organizationally related, and approved by the City Manager or his designee.
- D. The course must be taken at an accredited school, college or university, but does not have to be a credit course.
- E. A final grade of "C" or better, or a passing grade in the case of a certificate program, must be achieved.
- F. ~~No employee shall receive more than \$2,000~~ **Each employee may receive up to \$2,500** under this program ~~in any~~ **each** fiscal year.

###. To participate in this program, seniority employees must submit an application and request reimbursement through the following procedures:

- A. Such employee must submit an application form together with satisfactory evidence of tuition cost which must then be reviewed by the City Manager or his designee for approval.
- B. The application must be submitted at least 10 days before the starting date of the course.

- C. To receive reimbursement, within one year of the completion of the course, the employee must submit verification of 1) his payment of the tuition, and 2) a final grade of "C" or better for the course. If the actual cost of the tuition is higher than the tuition cost submitted on the application to the Employer, reimbursement shall be at the higher cost, provided such higher cost resulted from a change in tuition by the school or college **(within the maximum reimbursement for that fiscal year).**
- D. Prior to receiving the reimbursement, the employee shall sign an agreement to repay to the City the entire amount of the reimbursement if the employee terminates his/her employment with the City **(including retirement)** or is terminated by the City for any reason except disability within three (3) years of the completion of the course for which he/she was reimbursed.

NOTES – EXHIBIT A

Advancements up the steps shall thereafter be at the employee’s pay change date (one year from last step increase in that classification or promotion class). Employees on start shall advance in six months.

An employee who is receiving a salary higher than the salary applicable to the classification shall continue to receive the same amount of salary over any new scales agreed upon, until such time as the employee either changes classification or terminates.

The Employer retains the right to hire a new employee at any salary equivalent up to and including the starting salary and step one salary.

Employees who are promoted shall be assigned a step in their new classification that provides not less than \$500.00 increase per annum over their present (current salary before promotion) salary, but in no event more than the highest step in the classification pay range.

Employees who are demoted shall be assigned their existing step but in the new classification (i.e. Step 3 Secretary to Step 3 Office Assistant) and remain on their existing step progression timeline.

FOR THE UNION:

FOR THE CITY:

Date: _____

Date: _____