



CITY COUNCIL REPORT

DATE: March 17, 2009

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Brian P. Murphy, Assistant City Manager/Economic Development Services
Peggy E. Sears, Human Resources Director

SUBJECT: **AGENDA ITEM** – Ratification of Contract Extension– American Federation of State, County and Municipal Employees (AFSCME) 2009-2010

Background:

- Attached is a tentative agreement reached between the City of Troy and AFSCME that would extend all terms and conditions of the current collective bargaining agreement for one year.
- The current collective bargaining agreement between the City of Troy and AFSCME expires June 30, 2009.
- Negotiations with other bargaining units include the following: Troy Police Officers Association (TPOA) for a contract that expired on June 30, 2008; and Troy Fire Staff Officers Association (TFSOA) for a contract that will expire on June 30, 2009.
- The City and AFSCME have successfully negotiated the last three contracts using the Interest-Based Bargaining approach.
- The AFSCME union has expressed a desire to assist the City in addressing the current financial and budget situation, as evidenced by their offer to extend the contract without further negotiations.

Financial Considerations:

- The proposed agreement results in no wage increase for fiscal year 2009, thus there is no financial impact on the 2009-2010 budget.
- The current collective bargaining agreement includes many of the cost saving measures that continue to be negotiated with other bargaining units, including a Retirement Health Savings (RHS) plan for new employees, elimination of Traditional Blue Cross insurance coverage, and a reduced employer contribution for new employees in the Defined Contribution Pension Plan.

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Legal Considerations:

The AFSCME membership has agreed to the extension of the contract without further negotiation proceedings.

Policy Considerations:

- Troy is rebuilding for a healthy economy in cooperating with employees and employee representatives on finding creative means to address financial issues. (Outcome III).

Options:

- City management supports and recommends approval of the tentative agreement for a one-year contract extension between the City of Troy and AFSCME for 2009-2010.

TENTATIVE AGREEMENT

2009 Contract Negotiations
City of Troy and AFSCME

The City of Troy and Chapter C of Local 574 of the American Federation of State, County and Municipal Employees (AFSCME), hereby agree that all terms and conditions of the 2006-2009 collective bargaining agreement shall be extended until June 30, 2010.

FOR THE UNION:

Mike Phayre
Daniel

FOR THE CITY:

Philip L. Nelson
Peggy E. Sears

Date: 3/11/09

Date: 3-12-09