



CITY COUNCIL ACTION REPORT

DATE: July 6, 2009

TO: The Honorable Mayor and City Council Members

FROM: John Szerlag, Acting City Manager *JS*
John M. Lamerato, Assistant City Manager/Finance & Administration *JML*
Gary Mayer, Police Chief *GM*
Peggy E. Sears, Human Resources Director *ES*

SUBJECT: **AGENDA ITEM** – Ratification of Contract – Troy Police
Officers Association (TPOA) 2008-2013

RECOMMENDATION

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

BACKGROUND

On July 2, 2009, the TPOA membership ratified a tentative agreement for a five-year collective bargaining agreement between the City of Troy and TPOA. This agreement replaces the contract that expired June 30, 2008.

This agreement is the 14th collective bargaining agreement to be achieved using the Interest-Based Bargaining (IBB) method. This technique, which involves both sides discussing possible solutions to “issues” rather than holding to “positions” or “demands”, has proven to be very effective in contract negotiations. Additionally, it fosters a stronger relationship and understanding between the parties, thus improving labor-management relations.

This tentative agreement is further evidence of the benefits of IBB in that it provides a mutually satisfactory solution to the issues raised by both parties in negotiations, and serves 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 pension and health insurance areas, in the staffing of certain position assignments and in the administration of physical

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exams for police officers. Over the five-year term of the agreement, there is no net cost to the general budget due to the significant savings realized on some of the issues.

A summary of the tentative agreement is attached for your review.

PES/bjm

Attachment

PROPOSED AGREEMENT SUMMARY
City of Troy and TPOA
2008-2013 Collective Bargaining Agreement

ISSUE

SOLUTION

Wages

- a. Five year contract with the following increases:
- | | |
|-----------|------|
| 7/01/2008 | 3.0% |
| 7/01/2009 | 0% |
| 7/01/2010 | 0% |
| 7/01/2011 | 1.5% |
| 7/01/2012 | 1.5% |
- b. New recruits hired at reduced pay scale; do not become bargaining unit members until completion of academy

Health Insurance

- a. \$10/\$20 prescription drug rider (PDR) replaces \$5/\$10 PDR for generic/brand name drugs for employees hired on or after 7/1/09
- b. Monthly premium cost of family continuation coverage consistent with other employee groups (50%)

Retiree Medical Insurance

- a. RM, RPS, PSA, and higher deductible \$10/\$20 drug riders added to retiree health insurance (employees retiring after 7/1/09), at reduced cost and consistent with other employee group
- b. Retiree Health Savings (RHS) Plan to replace retiree health insurance for employees hired on or after 7/1/2011

Physical Exams/Microfit

Microfit exam program replaced with biennial physicals, eliminating the cost of conducting and administering the Microfit segment and utilizing no overtime

Desk Officer Position

Replaced walk-up desk position with part-time employees, resulting in reduced cost and elimination of premium pay for that assignment.

Miscellaneous:

- a. Duration of records kept in shift files aligned with length of bump periods
- b. Shift premium paid bi-weekly instead of every two months
- c. "Superseniority" granted to union President for selection of shift and leave days
- d. Streamlined administration of overtime, personal business time, payment of monies (i.e. via direct deposit)
- e. "Housekeeping" changes to correct dates, job titles, eliminate outdated language, add gender-neutral language, etc.

CITY OF TROY
TPOA SETTLEMENT COST
(As % of Payroll)

<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>4th Year</u>	<u>5th Year</u>	<u>Net Cost</u>
2.11	(4.26)	(0.92)	1.50	1.46	(.11)

F- Contract Ratification – Troy Police Officers Association (TPOA) and City of Troy

Resolution #2009-07-

Moved by

Seconded by

RESOLVED, That a collective bargaining agreement between the City of Troy and TPOA for the period July 1, 2008 through June 30, 2013 is hereby **RATIFIED** by the City Council of the City of Troy, and the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the final agreement.