



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM



Date: June 25, 2024

To: Robert J. Bruner, Acting City Manager

From: Megan E. Schubert, Assistant City Manager  
Robert C. Maleszyk, Chief Financial Officer  
Peter Hullinger, Fire Chief  
Jeanette Menig, Human Resources Director  
Jennifer Lee, Deputy Human Resources Director

Subject: Contract Ratification – Troy Fire Staff Officers Association (TFSOA)  
(Introduced by: Jeanette Menig, Human Resources Director)

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### **History**

The Troy Fire Staff Officers Association (TFSOA) currently represents 12 career members.

In May of this year, the City and the TFSOA started negotiating a successor collective bargaining agreement to replace the contract that expires on June 30, 2024. We held three bargaining sessions and reached a tentative agreement in mid-June.

### **Financial**

As seen in the attached summary, the five-year agreement provides annual wage increases, enhances the clothing allowance, increases the life insurance benefit and provides an accelerated vacation accrual schedule. The calculation for paid health care in retirement (that affects only one eligible member) was returned to a previous calculation. Additionally, employees in this bargaining unit are now eligible to participate in our enhanced dental plan, consistent with other groups in the City.

The estimated additional cost for the first year of the agreement is \$54,915.

Additional administrative and non-financial changes are also included in this agreement; including an option for a re-opener on issues specifically related to retirement definitions and benefits.

### **Recommendation**

City management recommends approval of this agreement between the City of Troy and TFSOA for a five-year collective bargaining agreement for the period July 1, 2024 to June 30, 2029.

A summary of contract changes and copies of the tentative agreements are attached. For reference, the current collective bargaining agreement is available on the [City website](#).

**Legal Review**

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.

City of Troy and TFSSOA  
2024-2029 Collective Bargaining Agreement  
Tentative Agreement Summary

<b><u>ISSUE</u></b>	<b><u>CURRENT</u></b>	<b><u>AGREEMENT</u></b>										
Clothing Allowance	\$1300/year	\$1500/year										
Dental Insurance	Standard dental coverage provided with no premium share by employees.	Additional option for enhanced dental insurance will be offered. Employees who select standard or enhanced dental insurance will pay 5% of the premium cost of plan selected.										
	No defined "opt out" incentive is identified in the agreement.	Employees who do not enroll in dental coverage will receive \$25/month.										
Life Insurance	\$45,000	\$50,000										
Retirement	Calculation for those eligible for paid healthcare in retirement 3% per year of service for years effective 7/1/2006) and capped at 90%	Return to calculation which was in place prior to 2006: 4% per year of service for all years of service, capped at 100%.										
Sick Leave	Previously no banked sick time paid out for resignations (only at retirement)	Will pay a percent of banked sick time based on years of service: 15 yrs = 50%, 20 yrs = 75%, 25 yrs = 100%										
Tuition Reimbursement	Applicable for Associate, Bachelor, Master Degrees or a certification program that is organizationally related.	Adding Doctorate program to the eligible degrees.										
Vacation	No vacation available upon hire; vacation accrual increases on service date anniversaries as follows: 3, 8, 13, and 18 years.	New employees will receive 1 or 2 weeks of vacation upon hire (based on month of hire); vacation accrual increases at an accelerated pace on service date anniversary as follows: 2, 5, 10, and 15 years.										
Wages		Wages retroactive to 7/1/2024 Elimination of current step 6 for Fire Staff Lieutenant step progression  <table style="margin-left: auto; margin-right: auto;"> <tr> <td>July 1, 2024</td> <td>5.00%</td> </tr> <tr> <td>July 1, 2025</td> <td>5.00%</td> </tr> <tr> <td>July 1, 2026</td> <td>3.75%</td> </tr> <tr> <td>July 1, 2027</td> <td>3.00%</td> </tr> <tr> <td>July 1, 2028</td> <td>3.00%</td> </tr> </table>	July 1, 2024	5.00%	July 1, 2025	5.00%	July 1, 2026	3.75%	July 1, 2027	3.00%	July 1, 2028	3.00%
July 1, 2024	5.00%											
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July 1, 2026	3.75%											
July 1, 2027	3.00%											
July 1, 2028	3.00%											
Language clarifications and non-financial / procedural		Miscellaneous language clean-up and procedures defined in several sections.										

TENTATIVE AGREEMENT  
City of Troy and TFSA  
June 13, 2024

Five-year contract

Wages: 5%, 5%, 3.75%, 3%, 3%

Fire Staff Lieutenant computations based on the chart below with adjustments to START, Step 1 and (new) Step 5.

Fire Staff Lieutenant	
base 2024 wages calculation on:	
Start	57,000
Step 1	60,000
Step 2	63,782
Step 3	72,252
Step 4	80,726
Step 5	90,000
Step 6	97,671

If the agreement is ratified after July 1, 2024 all wages will be retroactive to July 1, 2024.

Clothing and Cleaning: increase to \$1500

Life Insurance: increase to \$50,000

Vacation:

New hires receive 2 weeks upon hire if hired before July 1, 1 week if hired on or after July 1, and receive 2 weeks in year two. Effective January 1, 2025 all members will start accruing vacation according to the new accrual schedule: 3 weeks at 2<sup>nd</sup> anniversary, 4 weeks at 5<sup>th</sup> anniversary, 4.5 weeks at 10<sup>th</sup> anniversary and 5 weeks at 15<sup>th</sup> anniversary.

In addition, current employees hired between November 1, 2023 and the date of ratification will receive 1 week (40 hours of vacation time to use in 2024 in addition to any time already accrued and credited).


FOR THE UNION:



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Date: 6/17/24

FOR THE CITY:



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Date: 6/17/24

TENTATIVE AGREEMENT  
City of Troy and TFSOA  
June 13, 2024

The City and the Union agree to modify the agreement as follows:

The agreement will be updated to be gender-neutral, and:

ARTICLE 4. NON-DISCRIMINATION

4.1 The Employer and the Association agree that the provisions of this Agreement shall be applied equally to all employees without discrimination as to **race, religion, color, sex, sexual orientation, gender identity or expression, height, weight, marital status, national origin, age, disability, or veteran status or any other basis protected by federal and state law** ~~age, sex, marital status, race, color, creed, national origin, disability, or religious or political affiliations~~; provided, however, that the parties are desirous of having a single response to claims arising under this Article and hereby agree that all claims for any alleged violations under this Article shall be referred by the Union to the appropriate administrative agency charged with statutory authority to administer the relevant civil rights statutes.

ARTICLE 16. PERSONAL BUSINESS TIME

16.1 **After completion of their initial probationary period, an An** employee may be granted up to twenty (20) hours of personal business time in any one calendar year with the prior approval of the Fire Chief or his designee. Such personal business time must be requested three days in advance and must be for a specific purpose which the employee could not normally accomplish on his/her own time.

ARTICLE 19. CIVIL LEAVE

19.1 **An A-seniority** employee may be given time off at straight time wages for actual time lost from work while performing Jury Duty or serving as a non-party witness under subpoena or while he is a party defendant in an action originating out of the performance of his regular duties for the Employer. This leave will not be permitted if the employee is a plaintiff in an action or a defendant in an action originating from his personal activities. Witness or Jury Duty fees as authorized for such services shall be paid to the Employer, less specific allowances for meals or travel. The maximum amount of hours payable under this section shall be a normal forty (40) hours per week.

ARTICLE 21. HOLIDAYS

21.6 Any employee called in to work on a City-designated holiday will be compensated at **double time time and a half**. *(note: correcting an error from the previous contract where this section conflicted with changes made the Article 14 Hours of Work/Overtime)*

ARTICLE 22. VACATION

22.3 Upon retirement, death, or resignation, all unused vacation leave will be paid to the employee or spouse/beneficiary at the rate of one-hundred percent (100%) unless one or more of the following applies:

- 1) An employee fails to give at least **14 calendar** ~~ten (10) working~~ days notice in advance of his termination date; or 2) an employee leaves the City prior to completion of his original probationary period. Payments for unused vacation leave at retirement shall be excluded from the computation of Final Average Compensation (FAC) for pension purposes for all members of this bargaining unit.

ARTICLE 27. TUITION REIMBURSEMENT

27.1 An employee who has completed their probationary period is eligible for tuition reimbursement under the following conditions:

- a. Reimbursement is for one hundred percent (100%) of the tuition cost only (not including other fees, books, or other expenses), and cannot duplicate any financial aid such as scholarships, grants and aids, GI Bill, etc.
- b. Courses must be required for an Associate, Bachelor ~~or~~ Master, **or Doctorate** degree or a certificate program that is organizationally related, and be approved by the Department Director and the Human Resources Director before enrolling in the class.

FOR THE UNION:

  
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Date: 6/17/24

FOR THE CITY:

  
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Date: 6/17/24



Tentative Agreement  
City of Troy and TFSSOA  
June 13, 2024

The City and the Union agree to replace Article 24 as follows:

**Article 24 WORKER'S COMPENSATION**

- A. The City will provide benefits pursuant to the current Michigan Workers' Compensation law for an employee who suffers an accidental injury or a disabling occupational disease arising out of and in the course of employment with the City. If the Michigan Workers' Compensation law changes, the policy will mirror the changes.

The parties to this Agreement understand that Workers' Compensation benefits are paid in accordance with applicable Workers' Compensation laws of the State of Michigan, but that supplemental payments are made subject to the employee based upon the following. The employee must:

1. Be full-time in order to receive supplemental benefits;
2. Immediately, upon reasonable knowledge of the injury, report the injury to their immediate supervisor;
3. Complete an incident report on the injury and cause of the injury;
4. Obtain treatment with the City-designated clinic for the initial treatment and up to the following twenty-eight (28) days after the initial treatment;
5. Provide periodic updates from the employee's physician if requested by the City;
6. Perform in a light duty status, consistent with the recommendation of the attending physician, if directed by the City;
  - a. With the exception of excluding those duties listed in Article 21A.
7. Follow the processes required by Workers' Compensation laws if there is a disagreement between the treating physician and another provider or the insurer, which may include consenting to an independent medical examination as necessitated by the insurance carrier or following a medical dispute process.

It is further understood that the denial of supplemental benefits, benefits under another Article, and/or other benefit plans does not affect the receipt of Workers' Compensation benefits.

- B. In accordance with Workers' Compensation law, there is a 7-day waiting period for wage loss benefit payments from the Workers' Compensation insurance carrier. If the disability lasts beyond one-week (seven (7) consecutive, calendar days), the worker is entitled to benefits as of the eighth (8th) day after the injury. If a disability continues for two weeks (fourteen (14) consecutive, calendar days) or longer, then the worker is entitled to be paid compensation for the first (1st) week of disability from the date of disablement. There is no waiting period for medical benefits; coverage begins at the time of the injury.

C. For the first thirty (30) days following the date of disability, the employee shall receive a check from the City in an amount sufficient to augment appropriate Workers' Compensation insurance to provide the employee with their regular, base wage. Employees shall not incur any loss of accrued leave time during this 30-day period.

After the 30-day period has been completed, an employee shall receive, if otherwise eligible, Workers' Compensation as provided by law and a benefit equal to the difference between such Workers' Compensation benefit and approximately eighty percent (80%) of the employee's base wage. In order to be eligible for such benefit, an employee must supplement such benefits by using up to a maximum of four (4) hours per pay period of paid leave time.

D. Upon the retirement of a member of this Union due to their disability as provided in Chapter 10 of the City Code, they shall receive a pension of not less than two-thirds (2/3) of their Final Average Compensation during the period they are in receipt of Workers' Compensation due to this disability arising out of and in the course of their City employment.

E. The employee agrees to refund any overpayments to the City.

FOR THE UNION:

Date: 6/17/24

FOR THE CITY:

Date: 6/17/24



Tentative Agreement  
City of Troy and TFSSOA  
May 30, 2024

ARTICLE 26. HEALTH INSURANCE

- 26.1 The Employer shall provide the following health insurance for employee and family equal to or better than the following:
- a. Blue Cross Community Blue Plan 1 (Modified) to include: \$10/\$40 drug rider with mandatory generic, prior authorization, step therapy, 2xMOPD; \$30 office visit co-pay; \$30 chiropractic office visit co-pay; \$50 emergency room co-pay (waived if admitted); and \$250/\$500 basic deductible.
  - b. ~~Dental Insurance~~ **A basic dental plan**, including routine, preventative and basic benefits with a 10% employee co-payment of claims and a maximum benefit of \$1,000 per person per year, beginning each January 1<sup>st</sup>. **and orthodontic**
  - ~~e. Orthodontic~~ coverage with a 50% employee co-payment of claims and a \$2,000 maximum lifetime benefit per person to age 19.
  - c. Effective January 1, 2025 employees will have the opportunity to select an enhanced dental plan, including orthodontic coverage.**
  - d. Vision Insurance including benefits for eye exams and corrective lenses every 12 months.
- 26.2 The Employer shall have the option of self-funding and self-administering a dental benefit program providing that the benefits shall be identical or better than those provided in Section 26.1, B & C, of this Article.
- 26.3 If the employee subscribes to any of these plans, they will receive a complete description of the plan.
- 26.4 An employee who elects to be covered by medical insurance shall contribute 5.0% of the total premium cost by means of a pretax payroll deduction. **Effective January 1, 2025 employees who choose to enroll in dental insurance (basic or enhanced) shall contribute 5% of the premium for dental insurance.**
- 26.5 Employees who choose not to subscribe to medical insurance will receive \$200 per month. **Effective January 1, 2025 employees who choose not to subscribe to dental insurance will receive \$25 per month.**
- 26.6 Employees who are married to each other are not permitted to both subscribe to health or dental insurance provided by the City of Troy. Notwithstanding the provision in section 26.5.2 above, the employee who chooses to opt out of employer provided health insurance is not eligible for the cash-in-lieu payment. **If a full-time employee is an eligible dependent of another full-time employee they may**

**each separately enroll in coverage, or the dependent may remain on the other employees' plan in which case the dependent may not receive cash in lieu of coverage while covered by the City plan.**


26.7 The Union and the City agree to participate in a Health Insurance Committee (comprised of representatives from all employee groups) for the purpose of reviewing current health insurance plans and making recommendations regarding City-offered health insurance.

FOR THE UNION:

  
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Date: 5/30/2024

FOR THE CITY:

  
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Date: 5/30/24



Tentative Agreement  
City of Troy and TFSOA  
May 30, 2024

ARTICLE 32. USE OF FIRE DEPARTMENT STAFF VEHICLES

32.1 The policy governing the use of Fire Department vehicles will be determined through Administrative Directives.

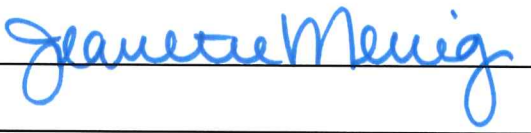
**32.2 If vehicle benefits are eliminated or authorization for personal use is substantially reduced from what is in effect on May 30, 2024, Deputy Chiefs and Fire Staff Lieutenants will be given no less than 6 months' notice and the City and the Union agree to reopen the contract at that time to negotiate related compensation.**

FOR THE UNION:

  
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Date: 5/30/2024

FOR THE CITY:

  
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Tentative Agreement  
City of Troy and TFSOA  
May 30, 2024

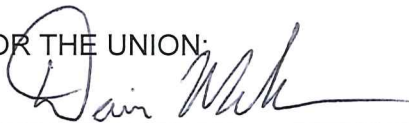
ARTICLE 29. RETIREMENT

29.3 Health Care for Retirees:

1. For employees hired prior to July 1, 2006, **and retire after (RATIFICATION DATE)**, upon regular retirement, early retirement, or disability retirement, the City will pay for health insurance as described in Article 26.1.a. above (less optical) at the rate of 4% per complete year of credited service (~~effective 7/1/14, 3% per each future year of service~~), to a maximum of ~~90%. 100%~~. ~~Current employees who, as of 7/1/14, would be eligible for 90% or more shall not have this amount reduced as a result of this paragraph.~~ Coverage is for 2-person coverage for retiree and spouse (or dependent child) at the time of retirement, provided that the retiree shall apply for Medicare or its equivalent when eligible, and the Employer shall then provide supplemental insurance benefits. However, in the case of a duty disability retiree, the computation shall be not less than the amount it would be if the member had 10 years of credited service. A retiree may pay, at his/her own option and expense, the difference between a two-person and family rate.

Employees who participate in the Defined Contribution Pension Plan must meet the age and service requirements specified in the retirement ordinance in order to be eligible for paid retiree health insurance.

FOR THE UNION:



Date: 5/30/2024

FOR THE CITY:



Date: 5/30/24



Tentative Agreement  
City of Troy and TFSSOA  
June 17, 2024

The City and Union agree to add the following:

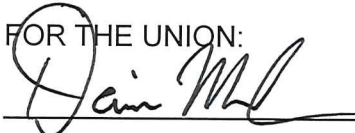
ARTICLE 35. INITIAL APPOINTMENT AND PROMOTIONS

35.1 Eligible lists for Fire Staff Lieutenant and Deputy Chief shall be in accordance with Act 78 of the Michigan Public Acts of 1935, as amended and the Rules and Regulation of the Act 78 Commission, with the following exception:

The appointing authority, the City Manager, shall have the authority to select any one (1) of the top three (3) eligibles on the list (commonly known as the "Rule of Three"). In the case of promotion to Deputy Chief, if the City Manager promotes a candidate who ranked lower on the eligible list than another candidate, the City Manager or designee must provide the by-passed candidate with the reason for his action; however, the action of the City Manager shall not be grievable.

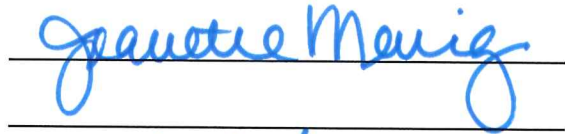
*The current Article 35 will be renumbered to 36.*

FOR THE UNION:

  
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Date: 6/17/24

FOR THE CITY:

  
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Date: 6/17/24



Tentative Agreement  
City of Troy and TFSOA  
May 30, 2024

**APPENDIX B**

**MINIMUM REQUIREMENTS FOR ADVANCEMENT  
FIRE STAFF LIEUTENANT**

<u>Step</u>	<u>Requirement</u>
Start	Current active City of Troy volunteer firefighter with 5 years of service and meets all other requirements per Act 78
Step 1	Six months as Fire Staff Lieutenant/Alternate Start* Completion of probationary period Fire Officer 1 Certification
Step 2	One year as a Fire Staff Lieutenant Completion of probationary period Fire Inspector 1 Certification
Step 3	Two years as a Fire Staff Lieutenant <del>including one year at Step 2</del> Fire Officer 2 Certification
Step 4	Three years as a Fire Staff Lieutenant <del>including one year at Step 3</del> Fire Inspector 2 Certification
<del>Step 5</del>	<del>Four years as a Fire Staff Lieutenant including one year at Step 4 Completed 30 college credit hours toward an Associate Degree in Fire Science or related field</del>
Step <del>6</del> <b>5</b>	<del>Five</del> <b>Four</b> years as a Fire Staff Lieutenant <del>including one year at Step 5</del> Fire Code Official (Act 54) Certification
Step <del>7</del> <b>6</b>	<del>Five</del> <b>Four</b> years as a Fire Staff Lieutenant <del>including one year at Step 5</del> Fire Code Official (Act 54) Certification Associate Degree in Fire Science or related field

\* A Fire Staff Lieutenant with a Fire Officer 1 Certification at the time of hire will start at Step 1.

Note: An employee not attaining a particular step's requirements will remain at their current step and will not advance to the next step until such requirements are attained.

MINIMUM REQUIREMENTS FOR ADVANCEMENT  
**DEPUTY ASSISTANT FIRE CHIEF**

<u>Step</u>	<u>Requirement</u>
Start	Meets the educational/certification requirements of Fire Staff Lieutenant Steps 1 – <b>6</b> <b>7**</b> and all other requirements per Act 78.
Step 1	Six month at <b>Deputy Assistant Fire</b> Chief Start and successful completion of probationary period.

\*\* For employees hired into the bargaining unit before 7/01/2006, the minimum requirements are:

- Fire Instructor Certification or Inspector I Certification (depending on assignment)
- Fire Officer I Certification
- Fire Officer II Certification
- Successful completion of fourth year of service
- 30 credit hours of fire science core courses from an accredited college

FOR THE UNION:



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Date: 6/17/24

FOR THE CITY:



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Date: 6/17/24



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

LETTER OF UNDERSTANDING  
City of Troy and TFSA



June 13, 2024

The City and the Union agree to a reopener on Article 29 Retirement in the 2024 – 2029 agreement, when the City completes revisions to Chapter 10 of the City Code or earlier if necessary.

The reopener shall include a discussion of retirement eligibility and consideration for modifications to retirement benefits currently available including but not limited to: sick time payouts upon retirement or separation, Retirement Health Savings Plan, and Defined Contribution (401) Plan.

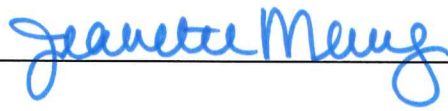
In addition, if in the course of the 2024 – 2029 collective bargaining agreement, another bargaining unit reopens an existing or opens a new Defined Benefit retirement plan to current employees (including the opportunity to change from Defined Contribution to Defined Benefit) the reopener shall include Defined Benefit retirement, as well.

FOR THE UNION:

  
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Date: 6/17/24

FOR THE CITY:

  
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Date: 6/17/24