

CITY OF ROYAL OAK

AND

**DEPARTMENT HEAD & DEPUTY
DEPARTMENT HEADS ASSOCIATION**

TENTATIVE AGREEMENT

September 14, 2011

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1. **Duration:** 2 years.

July 1, 2011 – June 30, 2013

Negotiations will begin no later than January 15, 2013 on a new contract.

2. Members of the bargaining unit already have agreed to a 2.5 % wage reduction.

For the 2012-2013 fiscal year there will be a wage freeze.

3. Effective January 1, 2012, Healthcare – Community Blue – 3 / \$30 OV / \$30 Chiro / \$250 ER / \$10/\$40/\$80 Rx. Eliminate HMO options.

Employees will pay ten percent (10%) of the premium per month for their healthcare choices. The payment initially will be based on the June 2011 rates. The payment will be adjusted at open enrollment in Spring each year thereafter. A member may select to have this deduction made on a pre-tax basis.

4. The parties agree to six (6) unpaid holidays per fiscal year during the duration of this Agreement (New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, and the day after Thanksgiving).

Members may use vacation, personal business, or comp time for these days.

5. The health insurance at retirement will be the plan noted in 3 above, or its equivalent, with the drug card noted above, except as noted in 6 below. The City may afford retirees available equivalent options at its discretion.

6. Healthcare in retirement to mirror healthcare for active employees, including prescription coverage. The City shall provide retiree healthcare

including prescriptions for eligible retirees, current and future, at no cost to the retiree with respect to premiums. Should hospitalization and medical care including prescription benefits coverage provided to active employees cease for any reason, the insurance last covering the retiree will remain in effect.

No premium sharing in retirement.

7. The healthcare in retirement provisions will only apply to individuals hired before July 1, 2008
8. The parties also agree that should the City provide different healthcare coverage than noted above in paragraphs 3, 5 and 6 in a negotiated agreement with any other City Union, except an Act 312 arbitration award, the Union may request to sit down and discuss that issue with the City to determine whether the level of coverage and percentage payments by employees provides better coverage. The Union may consider that option rather than the one provided under this contract.
9. Effective upon ratification, prospectively, the multiplier for the first 20 years of service (including any years purchased) will be 2.25% for service after September 1, 2011. For all years of service after 20 years, the multiplier remains unchanged.
10. Mandatory direct deposit.
11. Healthcare premium costs for employees hired on or after July 1, 2011 shall include an employee share of 20%.
12. All necessary statutory language required by Public Act 9 of 2011 law will be incorporated into this agreement. This clause is inserted into this document pursuant to Public Act 9 of 2011 (MCL 423.215(7)-(9)).
13. Eligible unit employees will be accorded family and medical leave in accordance with the provisions of the Family Medical Leave Act of 1993, as amended. Employees will be required to use sick, vacation and compensatory banks in that order during an FMLA leave. In no event, however, will an Employee be required to reduce their vacation banks to less than forty (40) hours. FMLA supersedes Sections 25.10 and 26.4 of the Agreement between the City of Royal Oak and the Royal Oak Department Head and Deputy Department Head Association.

14. Effective upon ratification, the pension contribution for members shall be the same as the contribution made by members of the Executive Department Head group.

CITY OF ROYAL OAK

[Signature] 9/14/11
BY: DATE

Julie Budd 9.14.11
BY: DATE

Mary Jo DiPaolo 9/14/11
BY: DATE

**DEPARTMENT HEADS & DEPUTY
DEPARTMENT HEADS ASS'N**

Tony DeLuca 9/14/11
BY: DATE

Scott E. Newman 9/14/11
BY: DATE

Richard A. McManis 9.14.11
BY: DATE

RATIFIED ON 9/14/11
TO