

7.23.2019
New
Business
Agenda

**INTERNAL
OPERATIONS
STANDING
COMMITTEE**



CITY OF DETROIT
BOARD OF ETHICS
ADMINISTRATION

7737 KERCHEVAL, SUITE #213
DETROIT, MICHIGAN 48214
(313) 224-9521 • TTY:711
WWW.DETROITMI.GOV

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Date: July 17, 2019

To: Hon. Brenda Jones, City Council President
Hon. Mary Sheffield, City Council President Pro Tempore
Hon. Janeé L. Ayers, City Council Member
Hon. James Tate, City Council Member
Hon. Roy McCalister, City Council Member
Hon. Scott Benson, City Council Member
Hon. Andre L. Spivey, City Council Member
Hon. Raquel Castañeda-Lopez, City Council Member
Hon. Gabe Leland, City Council Member

From: Alicia J Skillman
Detroit Board of Ethics

Re: Request for Appointment – Atty. Carron L. Pinkins

For personal reasons, Atty. Carron L. Pinkins has withdrawn as an appointee to the Board of Ethics effective July 10, 2019. Attached is an email from Atty. Pinkins.

The Board of Ethics request the City Council to appoint, expeditiously, a new member to this body before the end of the term. We greatly appreciate your prompt attention to this matter.

With recent appointments to the Board of Ethics, this is the only vacancy. We are waiting for one appointee to be sworn-in.

7/17/2019

City of Detroit Board of Ethics Mail - Carron Pinkins Appointment

pinkinspinkins@aol.com <pinkinspinkins@aol.com>

Wed, Jul 10, 2019 at 3:09 PM

To: Alicia.Skillman@detroitethics.org, millermi@detroitmi.gov

Cc: vanessa.johnson@detroitethics.org, mccalsterr@detroitmi.gov, jonesbr@detroitmi.gov

Good Afternoon, Ms. Skillman:

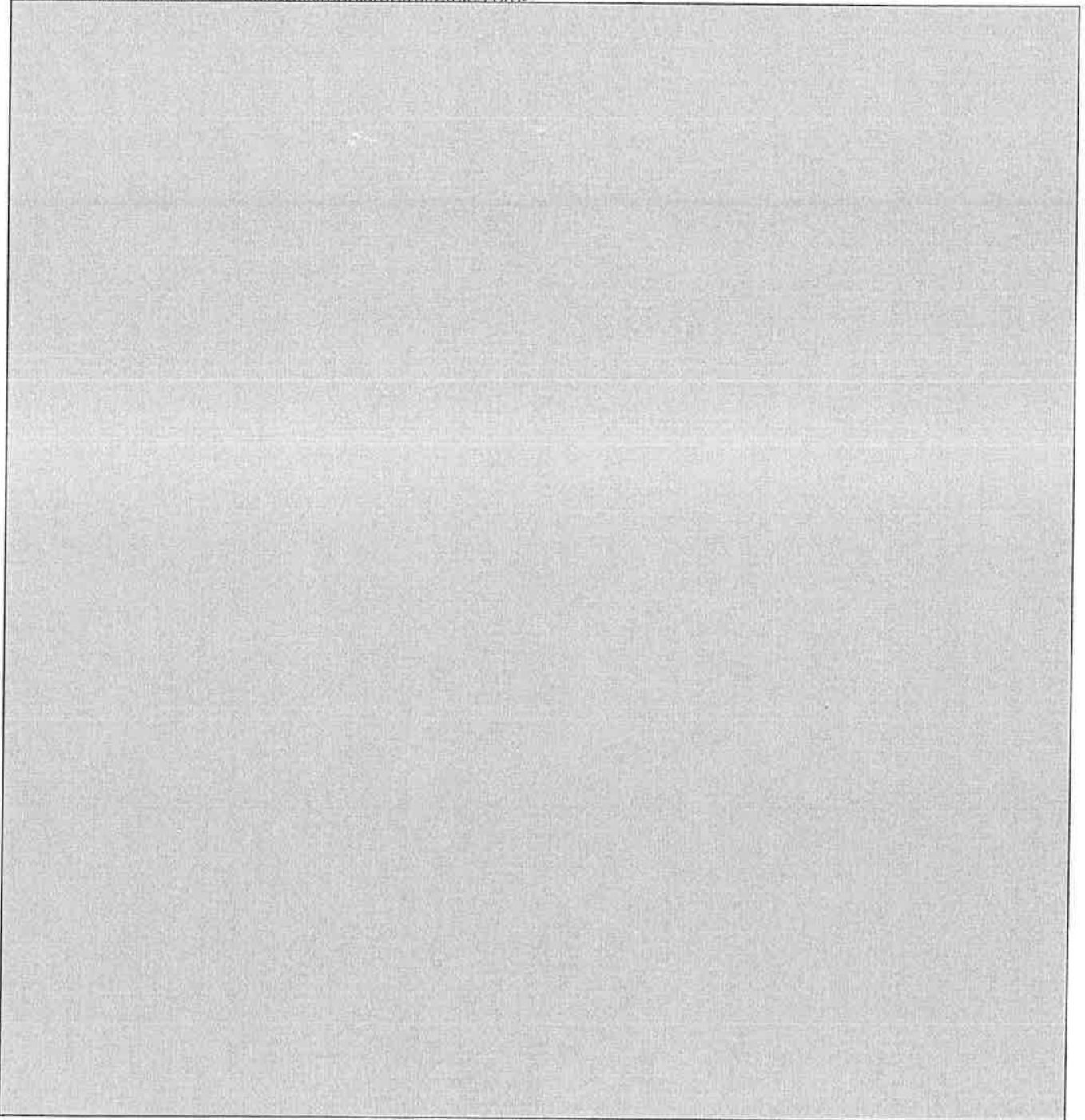
I hope all is well. Sadly, I have to report that I have to decline the appointment to the Detroit Ethics Board at this time due to other obligations. I apologize for any inconvenience that this may cause to the board.

Truly yours,

Carron L. Pinkins

-----Original Message-----

From: Alicia Skillman <Alicia_Skillman@detroitethics.org>





July 22, 2019

Honorable City Council:

RE: Petition No. 587 – Millan Theatre Company, a non-profit corporation, dba Detroit Repertory Theatre, requests a resolution from your Honorable Body in support of a charitable gaming license.

On November 26, 2018, your Honorable Body referred the above petition to this office for investigation. Petitioner wishes to be recognized as a non-profit organization operating in the community for purposes of obtaining a gaming license from the Bureau of State Lottery. Please be advised that the organization meets the criteria for such recognition as established by the City Council on May 15, 2012.

The original resolution, Petition No. 587 – Detroit Repertory Theatre, was adopted by the Detroit City Council at a regular meeting held on Tuesday, January 22, 2019, and approved by the Mayor on Wednesday, January 23, 2019. After receipt of the resolution, the State of Michigan Bureau of State Lottery Charitable Gaming Division on February 25, 2019 issued a letter to the organization, which requires that the resolution passed by the Detroit City Council contain the legal name of the non-profit organization, being the Millan Theater Company.

The attached resolution meets the requirements of State of Michigan Bureau of State Lottery Charitable Gaming Division. Therefore, approval of this petition is recommended and an appropriate resolution is attached.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Janice M. Winfrey', written in a cursive style.

Janice M. Winfrey

JMW: cj

RESOLUTION

BY COUNCIL MEMBER: _____:

WHEREAS, Millan Theatre Company, a non-profit corporation, dba Detroit Repertory Theatre, 13103 Woodrow Wilson, Detroit, Michigan 48238, requests recognition as a non-profit organization operating in the community for the purpose of obtaining a charitable gaming license from the State of Michigan;

WHEREAS, on November 26, 2018, your Honorable Body referred the above petition to the Office of City Clerk for investigation;

WHEREAS, the organization meets the criteria for such recognition as established by the City Council on May 15, 2012;

WHEREAS, the original resolution, Petition No. 587 – Detroit Repertory Theatre, was adopted by the Detroit City Council at a regular meeting held on Tuesday, January 22, 2019, and approved by the Mayor on Wednesday, January 23, 2019;

WHEREAS, after receipt of the resolution, the State of Michigan Bureau of State Lottery Charitable Gaming Division on February 25, 2019 issued a letter to the organization, which requires that the resolution passed by the Detroit City Council contain the legal name of the non-profit organization, being the Millan Theater Company; and

WHEREAS, the attached resolution meets the requirements of State of Michigan Bureau of State Lottery Charitable Gaming Division and, therefore, approval of this petition is recommended.

THEREFORE, BE IT RESOLVED, that the Detroit City Council recognizes Millan Theatre Company, a non-profit corporation, dba Detroit Repertory Theatre, 13103 Woodrow Wilson, Detroit, Michigan 48238, as a non-profit organization operating in the community for the purpose of obtaining a charitable gaming license from the Bureau of State Lottery.



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 316
Detroit, Michigan 48226

Phone 313•224•3710
Fax 313•224•1750
www.detroitmi.gov

CITY CLERK
1011 19 11/13/19 4:45

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July 17, 2019

Honorable City Council

Subject: **Request to Amend the Official Compensation Schedule**

Recommendation is submitted to amend the 2019 – 2020 Official Compensation Schedule to include the following pay range, subject to City Council approval:

Class Code	Classification	Salary Range
22-20-55	Senior Data Quality Management Specialist	\$49,000 - \$68,600

Request:

The above recommendation is at the request of Angelique Rodriguez-Edge from the Health Department.

Rationale:

The above request and recommendation is based on the ability to attract and retain essential personnel to staff the Ryan White HIV/STI Program of the Health Department.

The SEMHA (Southeast Michigan Health Association) federal contract ended June 30, 2019. It has been determined that it is in the City's best interest that the Ryan White HIV/STI Program be moved in-house. This transition is necessary to ensure that the program is more cost effective, operates more efficiently, and adheres to regulatory guidelines.

To determine the appropriate salary range for the classification, a market study was conducted using data from external survey sources. The proposed salary is essential for recruitment and retention purposes and is based on the City of Detroit's ability to fund the increase. The proposed salary recommendation is subject to City Council approval.

Respectfully submitted,

Denise Starr
Human Resources Director

DS/bvt
Attachments
cc: Budget Department
Mayor's Office

BY COUNCIL MEMBER _____

RESOLVED, That the 2019 - 2020 Official Compensation Schedule is hereby amended to reflect the following pay range, effective upon Council's approval.

Class Code	Classification	Salary Range
22-20-55	Senior Data Quality Management Specialist	\$49,000 - \$68,600

RESOLVED, That the Finance Director is hereby authorized to honor payrolls and vouchers in accordance with this resolution, the above communication and standard City of Detroit practices.

City of Detroit
Classification/Compensation Division
Classification/Compensation Notification Form

Requesting Department: <u>Health</u>	Division: <u>HIV/STI Programs</u>
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Requester Name: Angelique Rodriguez-Edge, Health Department

Date of Receipt: 7/8/2019

Work Order Number <u>#2019-152</u>	P.L.#: _____
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Action Taken

<input type="checkbox"/> Specification Maintained	<input type="checkbox"/> Position Maintained
<input type="checkbox"/> Specification Updated	<input type="checkbox"/> Position Reallocated
<input checked="" type="checkbox"/> New Specification	<input type="checkbox"/> Positions Allocated
<input checked="" type="checkbox"/> Other: <u>New Classification</u>	<input type="checkbox"/> Position Deletion

Explanation: This is to advise you that the Human Resources Department concurred in the following recommendations:

1. The title and code of the following new classification be adopted:
 - Senior Data Quality Management Specialist (22-20-55)

2. The 2019 - 2020 Official Compensation Schedule be amended to include the following pay ranges:

Class Code	Classification	Salary Range
22-20-55	Senior Data Quality Management Specialist	\$49,000 - \$68,600

3. The attached job specification for Senior Data Quality Management Specialist (22-20-55) be adopted.

SUBJECT TO CITY COUNCIL APPROVAL

Classification/Compensation Analyst: <u>Brenda VanTull</u> <i>Brenda VanTull</i>	Date: <u>7/19/19</u>
Chief Classification/Compensation Officer: <u>Nicole Smith</u> <i>Nicole M. Smith</i>	Date: <u>7/14/2019</u>
Human Resources Director: <u>Denise Starr</u> <i>Denise Starr</i>	Date: <u>7/19/19</u>

CC: Labor Relations
Payroll Audit
Budget
Ulti Updates

City of Detroit
Human Resources Department
Job Specification

SENIOR DATA QUALITY MANAGEMENT SPECIALIST

INTRODUCTION:

Under the supervision of the HIV/STI Program Director, the Senior Data Quality Management Specialist collaborates with members of the Quality Management Team to ensure ongoing effectiveness of funded services. This staff uses demographic, clinical and utilization data to support sub-recipients in evaluating and improving the quality of clinical and support services and conducts and documents annual program and clinical site visits. The Senior Data Quality Management Specialist develops and coordinates opportunities to share information, best practices and builds skills of direct service providers and program supervisors to support the provision of high quality HIV services. This individual is the primary contact for all sub-recipients Quality leads and coaches the other Quality Management Specialists. The Senior Data Quality Management Specialist monitors activities related to work plans, corrective action plans and quality improvement projects. This position also provides technical assistance to support compliance with National Monitoring and Service Standards.

MAJOR JOB DUTIES AND RESPONSIBILITIES:

1. Develop and implement strategies for improving HIV services to maintain client access and adherence to quality HIV medical care. Support collaborations that improve initial linkage to and retention/re-engagement in HIV medical care.
2. Develop, in consultation with sub-recipients, process objectives, budgets and work plans for service contracts.
3. Conduct annual site visits to ensure compliance with Universal and Program National Monitoring Standards, Service Standards and HHS guidelines.
4. Review quarterly reports and data submitted via CAREWare to assess progress toward meeting contract objectives and performance measure goals; provide written responses and follow-up with sub-recipients.
5. Participate on and coach the Quality Management Team; work closely with the Program Manager, Data Specialist, and quality consultants to implement the quality management plan.
6. Conduct weekly team meetings to communicate deadlines and project goals, as well as update members on best practices and continuing expectations to ensure assignments are made and completed. Monitor team performance and reports on metrics.
7. Provide (or arrange for the provision of) technical assistance to sub-recipients to improve program performance and outcomes.
8. Maintain up-to-date knowledge of HIV quality management techniques and requirements as advanced by funding agencies. Updates procedures and tools to reflect requirements.
9. Coordinate with Nurse and Quality Consultants to support sub-recipients' quality improvement activities.
10. Review progress on the Quality Plan and documents accomplishments to prepare for end of the year review and next year plan.
11. Participate in Public Health Emergency Preparedness activities in real or simulated emergencies.
12. Other duties as assigned by supervisor.

QUALIFICATIONS

Bachelor's Degree in Public Health, Social Work, or related field of study.

Four (4) years' experience supervising HIV or other social services including responsibility for quality assurance, improvement and program planning.

-OR-

**City of Detroit
Human Resources Department
Job Specification**

SENIOR DATA QUALITY MANAGEMENT SPECIALIST

Five (5) years of full-time professional work in the direct delivery of HIV or other social services to clients and at least two years supervising services including responsibility for quality assurance, improvement and program planning.

Knowledge of:

- HIV disease and the medical and psychosocial services delivered to persons living with HIV.
- Principles on continuous quality improvement.
- Quality assurance and improvement practices.

Skill In:

- Microsoft Excel and/or Access.
- Communicating effectively, both orally and in writing with tact and diplomacy.
- Solving problems as they arise and making data driven recommendations for action.

Ability To:

- Facilitate group processes and/or provide trainings.
- Manage multiple projects, prioritize assignments and responsibilities and meet deadlines.
- Interact effectively with planning council members, service recipients, and persons of all ages, ethnicities, social, educational and economic backgrounds.
- Gather and analyze information effectively.
- Establish and maintain effective working relations with both external and internal contacts.
- Work with people living with HIV.

TIER 1 POSITION COMPETENCIES:

Analytical/Assessment Skills

- Describes factors affecting the health of a community (e.g., equity, income, education, and environment).
- Uses quantitative and qualitative data.
- Describes assets and resources that can be used for improving the health of a community (e.g., Boys & Girls Clubs, public libraries, hospitals, faith-based organizations, academic institutions, federal grants, fellowship programs).

Policy Development/Program Planning

- Contributes to implementation of organizational strategic plan.

Communication Skills

- Identifies the literacy of populations served (e.g., ability to obtain, interpret, and use health and other information; social media literacy).
- Communicates in writing and orally with linguistic and cultural proficiency (e.g., using age-appropriate materials, incorporating images).
- Suggests approaches for disseminating public health data and information (e.g., social media, newspapers, newsletters, journals, town hall meetings, libraries, neighborhood gatherings).
- Conveys data and information to professionals and the public using a variety of approaches (e.g., reports, presentations, email, and letters).
- Describes the roles of governmental public health, health care, and other partners in improving the health of a community.

City of Detroit
Human Resources Department
Job Specification

SENIOR DATA QUALITY MANAGEMENT SPECIALIST

Cultural Competency Skills

- Describes the concept of diversity as it applies to individuals and populations (e.g., language, culture, values, socioeconomic status, geography, education, race, gender, age, ethnicity, sexual orientation, profession, religious affiliation, mental and physical abilities, and historical experiences).
- Describes the diversity of individuals and populations in a community.
- Describes the ways diversity influences policies, programs, services, and the health of a community.
- Addresses the diversity of individuals and populations when implementing policies, programs, and services that affect the health of a community.

Community Dimensions of Practice Skills

- Engages community members (e.g., focus groups, talking circles, formal meetings, key informant interviews) to improve health in a community.
- Provides input for developing, implementing, evaluating, and improving policies, programs, and services.

Financial Planning and Management Skills

- Operates programs within budget.
- Describes how teams help achieve program and organizational goals (e.g., the value of different disciplines, sectors, skills, experiences, and perspectives; scope of work and timeline).
- Motivates colleagues for the purpose of achieving program and organizational goals (e.g., participating in teams, encouraging sharing of ideas, respecting different points of view).
- Uses evaluation results to improve program and organizational performance.

Leadership and Systems Thinking

- Describes ways to improve individual and program performance.

SUPERVISORY CONTROLS:

The Senior Data Quality Management Specialist will operate independently under direction from the HIV/STI Programs Director.

GUIDELINES:

Employee must perform work within the scope of a Data Analyst and under the direction of supervising HIV/STI Programs Director. Employee must have understanding of scope of work and the need to elevate issues to the HIV/STI Programs Director. Employee will work with HIV care providers to develop and implement quality plans.

COMPLEXITY:

Work complexity is driven by the policies and procedures that guide the work. The employee will perform typical administrative and quality management functions related to the HIV/STI care services to patients through multiple community partnerships. The Senior Data Quality Management Specialist is expected to elevate complex or difficult issues to the HIV/STI Programs Director.

SCOPE AND EFFECT:

The scope and effect of the work centers on ensuring that programs and events are executed to the high standard of the department, and confidential services that meet the needs of the individual patient and community as a whole.

**City of Detroit
Human Resources Department
Job Specification**

SENIOR DATA QUALITY MANAGEMENT SPECIALIST

PERSONAL CONTACTS:

Contacts typically include employees in the immediate organizational unit or in closely related support units of the Health Department. Contacts are with the general public, other public health leaders, Metro Detroit community, citizens, and external organizations.

PURPOSE OF CONTACTS:

Contact with Health department staff will occur to establish a good working environment, report problems, or gain guidance. Contact with the community will be made to educate, answer questions, and facilitate access to throughout the community.

PHYSICAL DEMANDS:

The employee is frequently required to stand, walk and reach and lift items up to 30 pounds.

WORK ENVIRONMENT:

Work is performed in various settings including professional office environment, community locations such as fairs, neighborhood events, and community activities. The employee will on occasion be exposed to weather. The employee routinely uses standard office equipment such as laptop computers, smartphones, photocopies, and filing cabinets.

LICENSE, CERTIFICATION AND OTHER SPECIAL REQUIREMENTS:

Must be presently authorized to work in the United States as a full time employee.

Employees in this class is required to provide and operate a motor vehicle; valid State of Michigan Driver License required.

Must successfully complete courses in HIV QM principles and practices as provided by the National Quality Center and other technical assistance providers sanctioned by federal funding agencies

Certification in Incident Command Structure Crisis Management.

Candidates considered for placement in this classification will be subject to a FBI Criminal Background Investigation which includes a fingerprint clearance based on the requirements of the position.

The above statements describe the general nature and level of work performed by employees assigned to the class. Incumbents may be required to perform job-related responsibilities and tasks other than those stated in this specification. Specific job duties may vary from position to position.

CODE DESIGNATIONS:

Class Code:

EEO Code: 2

Date Established: DRAFT



CITY OF DETROIT
HUMAN RESOURCES DEPARTMENT
LABOR RELATIONS DIVISION

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE - SUITE 332
DETROIT, MICHIGAN 48226
(313) 224-3860 • TTY: 711
(313) 224-0738
WWW.DETROITMI.GOV

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July 19, 2019

HONORABLE CITY COUNCIL:

Re: Implementation of the 2019 – 2023 Labor Agreement between the City of Detroit and the employees represented by the D.D.O.T. Foremen’s Association of America Local 337 (Non-Supervisory)

The Labor Relations Division is recommending your Honorable Body’s official approval of the 2019 - 2023 Master Agreement between the City of Detroit and the D.D.O.T. Foremen’s Association of America Local 337 (Non-Supervisory).

The Master Agreement covers wages, hours and other basic conditions of employment for the period of July 1, 2019 through June 30, 2023. It has been signed by all parties concerned and meets with the approval of the Labor Relations Division.

We therefore respectfully request that your Honorable Body adopt the following resolution with a Waiver of Reconsideration.

Respectfully submitted,

Hakim W. Berry
Chief Operating Officer



By Council Member _____:

WHEREAS, the City of Detroit and the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory) have met the standards for recognition as exclusive agents for their members in the employ of the City of Detroit under Public Act 336 of 1947, as amended, and

WHEREAS, the Labor Relations Division, under the direction of the Mayor, is authorized and directed by the City Charter to act for the City of Detroit in negotiation and administration of collective bargaining agreements, and

WHEREAS, the Labor Relations Division and the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory) have met and negotiated this labor agreement which cover wages, hours and other economic conditions of employment through June 30, 2023.

NOW, THEREFORE, BE IT RESOLVED, that the Master Agreement between the City of Detroit and the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory), be and is hereby approved and confirmed in accordance with the foregoing communication.

**COLLECTIVE BARGAINING AGREEMENT
BETWEEN THE
FOREMAN'S ASSOCIATION OF AMERICA (NON-SUPERVISORY) LOCAL 337
AND
CITY OF DETROIT
2019 – 2023**

SUMMARY OF CHANGES

Modified Articles

1. **Article 4** - Agency Shop, replace entire article with Dues Deduction Language
2. **Article 5** - Association Representation, only Chapter President and grievant to attend grievance hearings.
3. **Article 16** - Reduction in Force – Replace current language with “Bargaining unit employees will be subject to the Reduction in Force rule and process as outlined in the City of Detroit Civil Service Human Resource Rule # 10.
4. **Article 19** - Leaves of Absence. Replaced current language with “The city shall comply with the requirement of all applicable laws relating to leaves of absences including but not limited to the Family and Medical Leave Act and Military Leave Act.”
5. **Article 24** - Wages – Changed wage schedule to include a 15% Market Rate Adjustment and a 2% annual increase for the duration of the contract.
6. **Article 25** - Overtime, Replace current language with “Work in excess of 40 hours per week shall be considered overtime to be paid at time and one half. Previously approved vacation time will count toward the calculation of the 40 hour, straight time work week.”
7. **Article 26** - Retirement, Replace language with “Employees will be eligible for retirement benefits pursuant to the terms and conditions included in the plan of adjustment approved by the United States Bankruptcy Court.”
8. **Article 29** - Sick Leave, Casual Leave, Sickness, and Accident and Extended Disability Insurance. Department Leave language added.
9. **Article 30** - Hospitalization, medical Insurance, Dental insurance and Optical Care Insurance.
10. **Article 31** - Vacations, 2nd tier vacation schedule deleted.
11. **Article 32** - Holidays and Excused Time Off, discontinued Swing Holiday’s
12. **Article 34** - Longevity Pay, Discontinue provision
13. **Article 36** - Unemployment Compensation – Supplemental Unemployment Benefits, discontinue Supplemental unemployment plan.
14. **Article 42** - Duration, Agreement effective 1st pay period after ratification and to extend 4 years to expire June 30, 2023.

Carryover Articles

1. **Article 1** - Recognition of Association
2. **Article 2** - Management Rights and Responsibilities
3. **Article 3** - Association Rights and Responsibilities
4. **Article 6** - Grievance Procedure
5. **Article 7** - Stipulations to the Grievance Procedure
6. **Article 8** - Time limit on Monetary Claims
7. **Article 9** - Discharge and Suspension
8. **Article 10** - Seniority of Association President and Vice President
9. **Article 11** - Contractual Work
10. **Article 12** - Special Conferences
11. **Article 13** - Non-Discrimination
12. **Article 14** - Seniority
13. **Article 15** - Probation Period
14. **Article 17** - Transfers (Shifts and Locations)
15. **Article 18** - Promotions
16. **Article 20** -Veterans – Reserves – Education
17. **Article 21** - Other Conditions of Employment
18. **Article 22** - Association Bulletin Boards
19. **Article 23** - Discontinuance of Entire Operation
20. **Article 27** - Work Week, Work Day Shift Premium
21. **Article 28** - Work Schedule
22. **Article 33** - Funeral Leave
23. **Article 34** - Jury Duty
24. **Article 37** - Death Benefits
25. **Article 38** - Miscellaneous
26. **Article 39** - Savings Clause
27. **Article 40** - Waiver of Bargaining Rights
28. **Article 41** - Successor Clause

Modified MOU's

1. Delete MOU – HR/ Payroll System.
2. Delete MOU – 2 Copies of the Contract will be provided to the Union.
3. MOU – Temporary Placement of Employees, carried forward.
4. Delete MOU – Defined Contribution Retirement Plan, Delete
5. Added MOU – Shoe Allowance

General Provisions

Any language not addressed or purposefully removed as a result of negotiations, shall remain and carried forward in the successor CBA

City of Detroit
DDOT Foreman (Non-Supervisory Unit)

<i>\$ in thousands</i>	2020	2021	2022	2023
Budgeted wages				
Budgeted annual wages	\$ 714	\$ 728	\$ 743	\$ 758
Budgeted annual wage increase	2.0%	2.0%	2.0%	2.0%
Budgeted FTE	16	16	16	16
Proposed wages				
Proposed annual wages	\$ 835	\$ 852	\$ 869	\$ 887
Proposed annual wage increase	2.0%	2.0%	2.0%	2.0%
Market rate adjustment	15.0%	0.0%	0.0%	0.0%
<i>Lump sum payment for shoe allowance</i>	3	3	3	3
Incremental wages	\$ 121	\$ 124	\$ 126	\$ 129
Incremental overtime ¹	28	28	29	30
Incremental other fringes ²	24	25	25	26
Total incremental cost of wage increase	\$ 173	\$ 177	\$ 180	\$ 185
Overtime Rate Savings ³	\$ 48	\$ 49	\$ 50	\$ 51
Total savings utilized	\$ 48	\$ 49	\$ 50	\$ 51
Net impact on Four-Year Financial Plan	\$ 128	\$ 131	\$ 133	\$ 137

Notes:

- Overtime calculated utilizing historical actual data
- Comprised of 5% for hybrid pension and 13% for other fringes



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1100
Detroit, MI 48226
Phone: (313) 628-2535
Fax: (313) 224-2135
E-Mail: OCFO@detroitmi.gov

**CFO MEMORANDUM
NO. 2019-101-014**

TO: Michael E. Duggan, Mayor; Honorable Detroit City Council
FROM: David P. Massaron, Chief Financial Officer
SUBJECT: Fiscal Impact of Proposed Contract between the City of Detroit and the Detroit Department of Transportation Foremen's Association of America – Local 337 (Non-Supervisory Unit)
DATE: July 19, 2019

1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 4s(2)(d), as amended by Public Act 182 of 2014, states the chief financial officer shall submit in writing to the mayor and the governing body of the City his or her opinion on the effect that policy or budgetary decisions made by the mayor or the governing body of the City will have on the City's annual budget and its four-year financial plan.
- 1.2. CFO Directive No. 2018-101-029 Fiscal Impact Statements states that the CFO shall issue Fiscal Impact Statements for all items requiring fiscal impact statements, as defined in that Directive, to provide financial information to the Mayor and the City Council as they consider action on proposed local policy or budgetary decision items.

2. PURPOSE

- 2.1. To provide financial information to the Mayor and the Detroit City Council as they consider action on the proposed contract between the City of Detroit (the "City") and the Detroit Department of Transportation Foremen's Association of America – Local 337 (Non-Supervisory Unit) (the "DDOT FAA").

3. OBJECTIVE

- 3.1. This Memorandum serves as the report on the fiscal impact of the proposed contract in relation to the City's annual budget for FY 2020 and four-year financial plan for FY 2020 – FY 2023 (the "City budget").

4. SCOPE

- 4.1. This Memorandum is not intended to convey any statements nor opinions on the advisability of entering into the provisions in the proposed DDOT FAA contract, including but not limited to Work Rules, except for those components of the proposed contract that have or may have a fiscal impact on the City budget.
- 4.2. This fiscal impact analysis is based on the proposed contract scheduled to be submitted to the City Council on July 22, 2019. Should the proposal change prior to final approval, an updated CFO Memorandum on its fiscal impact would need to be issued.

5. STATEMENT

- 5.1. Conclusion: The proposed contract has no net negative impact on the City budget.

5.2. Background: The proposed contract’s financial provisions would impact the budget for the Transportation Department, providing annual wage increases of 2% for all bargaining unit members from FY 2020 through FY 2023. Additionally, all members will receive a one-time 15% market rate adjustment in FY 2020. The contract also provides a \$200 annual steel toe shoe allowance for all unit members. To help cover the costs of the market rate adjustment, the contract will reduce overtime rates from the current double hourly rate to time and one-half.

5.3. Fiscal Impact: The proposed 2% annual wage increase is factored in the City budget; however, the 15% market rate adjustment and shoe allowance are not budgeted. The incremental costs of the contract can be offset with a combination of the reduced overtime hourly rate, as well as historic underspending in Transportation’s Software Maintenance expenditure object. Thus, there is no net negative impact on the City budget.

**City of Detroit
Foremen’s Association of America – Local 337 (Non-Supervisory Unit)**

<i>\$ in thousands</i>	2020	2021	2022	2023
Budgeted wages				
Budgeted annual wages	\$ 714	\$ 728	\$ 743	\$ 758
<i>Budgeted annual wage increase</i>	2.0%	2.0%	2.0%	2.0%
<i>Budgeted FTE</i>	16	16	16	16
Proposed wages				
Proposed annual wages	\$ 835	\$ 852	\$ 869	\$ 887
<i>Proposed annual wage increase</i>	2.0%	2.0%	2.0%	2.0%
<i>Market rate adjustment</i>	15.0%	0.0%	0.0%	0.0%
<i>Lump sum payment for shoe allowance</i>	3	3	3	3
Incremental wages	\$ 121	\$ 124	\$ 126	\$ 129
Incremental overtime ¹	28	28	29	30
Incremental other fringes ²	24	25	25	26
Total incremental cost of wage increase and lump sum	\$ 176	\$ 180	\$ 183	\$ 188
Overtime Rate Savings ³	\$ 48	\$ 49	\$ 50	\$ 51
Cost savings from operational efficiencies ⁴	128	131	133	137
Total savings utilized	\$ 176	\$ 180	\$ 183	\$ 188
Net impact on Four-Year Financial Plan	\$ -	\$ -	\$ -	\$ -

Notes:

- Overtime calculated utilizing historical actual data
- Comprised of 5% for hybrid pension and 13% for other fringes
- Savings achieved by reducing overtime from current double hourly rate to time and one-half.
- Operational savings achieved from historic underspending in the Transportation Software Maintenance expenditure object.