

CITY OF ROYAL OAK
AND
AFSCME, LOCAL 2396
TENTATIVE AGREEMENT

August 24, 2011

**CITY OF ROYAL OAK
AND
AFSCME, LOCAL 2396**

TENTATIVE AGREEMENT

August 24, 2011

1. **Duration:** 2 years.

July 1, 2011 – June 30, 2013

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

2. 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.

3. The parties agree to six (6) unpaid holidays per fiscal year during the duration of this Agreement.

The parties will sit down and discuss which six holiday days will be used.

The parties agree that should Veteran's Day, Martin Luther King Day or President's Day be included among the unpaid holidays in any subsequently negotiated agreement, they will be included in this agreement as well.

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

4. The health insurance at retirement will be the plan noted in 2 above, or its equivalent, with the drug card noted above, except as noted in 5 below. The City may afford retirees available equivalent options at its discretion.

5. Healthcare at 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.

6. The healthcare at retirement provisions will only apply to individuals hired before July 1, 2005.
7. The parties also agree that should the City provide different healthcare coverage than noted above in paragraphs 2, 4 and 5 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.
8. Effective upon ratification, prospectively, the multiplier for the first 20 years of service will be 2.25% for service after September 1, 2011. For all years of service after 20 years, the multiplier remains unchanged. Service time previously purchased will be computed utilizing the multiplier in effect at the time of purchase.
9. Effective upon ratification, there will be a 2.5% wage reduction for all members of the bargaining unit. There will be a wage freeze provided in the 2012-13 fiscal year. Step increases will be paid prospectively consistent with the Agreement.

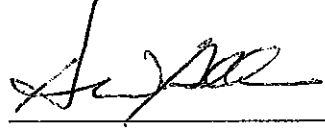
The parties agree PA 54 is no longer applicable at that time.

10. Upon ratification, the longevity reduction for active employees from the one-year extension agreement will be eliminated.
11. Mandatory direct deposit.
12. Healthcare premium costs for employees hired on or after July 1, 2011 shall include an employee share of 20%.
13. 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)). The parties did not mutually agree to this provision. By signing this agreement, the Union does not agree or acknowledge that this provision is binding on either the Employer or the Union. The Union reserves the right to assert,

where appropriate, that this clause is not enforceable. Should Public Act 9 of 2011 be repealed, amended, modified or judicially limited in any way, this provision will be treated consistent with such act.

Within 90 days after ratification, the parties agree a final contract will be drafted and signed.


CITY OF ROYAL OAK

 9/12/11
BY: DATE

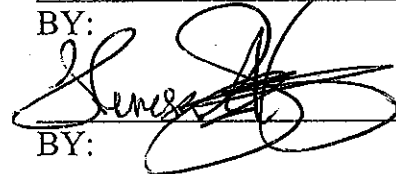
Mary Jo Di Paolo 9/12/11
BY: DATE

Julia Reed 9.12.11
BY: DATE

AFSCME LOCAL 2396

 9/7/2011
BY: DATE

Linda Dally 9/7/2011
BY: DATE

 9/7/2011
BY: DATE