CITY OF NOVI CITY COUNCIL FEBRUARY 5, 2024



SUBJECT: Approval of Letters of Understanding with City of Novi Collective

Bargaining groups for a one-time Cost-of-Living Adjustment (COLA).

SUBMITTING DEPARTMENT: Human Resources

BACKGROUND INFORMATION:

Considering the persistently high inflation rates experienced over the past three years, staff recommends implementing a one-time Cost-of-Living Adjustment (COLA) of up to 4% for City employees. This measure aims to alleviate the financial impact of rising living expenses and assists in recruitment and retention efforts. The following Bargaining Groups have agreed as follows:

- Michigan Association of Public Employees (MAPE)- 4% salary increase, .5% increase added to current 7/1/24 contractual increase of 2.5% for a total increase of 3%, with a one-year contract extension and 3% salary increase in the last year of the contract (to expire 6/30/26);
- Police Clerks and Dispatchers 4% salary increase with a one-year contract extension and a 3% salary increase in the last year of the contract (to expire 6/30/28);
- Novi Professional Fire Fighters 3% salary increase with a one-year contract extension and a 3% salary increase in the last year of the contract (to expire 6/30/27);
- Michigan Association of Fire Fighters (Part-time MAFF)- \$1.00/hour increase with a one-year contract extension and a 3% salary increase in the last year of the contract (to expire 6/30/27);
- Police Officers Labor Council (POLC)- 4% salary increase with Union agreement to adopt Lateral Hiring as attached. (contract expires on 6/30/25)

RECOMMENDED ACTION: Approval of Letters of Understanding with City of Novi Collective Bargaining groups for a one-time COST-OF-LIVING Increase (COLA).



Collective Bargaining Agreement Modification and One Year Extension

LETTER OF UNDERSTANDING

The City of Novi (hereinafter, "City) and the Michigan Association of Public Employees (MAPE), (hereinafter, "Union") are parties to a Collective Bargaining Agreement for the term of July 1, 2021 – June 30, 2025;

WHEREAS; The Parties wish to extend the terms and conditions of the Collective Bargaining Agreement for an additional one-year period;

WHEREAS; The provisions of the Collective Bargaining Agreement shall remain unchanged except for as specified below.

NOW THEREFORE, the Parties agree as follows:

- 1. The current Collective Bargaining Agreement shall be extended for a period of one (1) year, which shall now expire on **June 30**, **2026**.
- 2. The wage scales for all members of the Union shall be adjusted as follows:
 - 4% increase to all classifications and steps following the first full pay period after City Council ratification.

Date: 1-20-24

- 3. The contractual July 1, 2024 wage increase shall include a .5% increase for a total 7/1/24 increase of 3.0%.
- 4. All members of the Union shall receive a 3.0% pay raise effective July 1, 2025.
- 5. The Parties acknowledge that all other provisions of the Collective Bargaining Agreement shall remain in force and carry over until the expiration date contained in this Extension Agreement and LOU. This Letter of Understanding is subject to ratification by both parties.

By: Justin Fischer
It's: Mayor
Date:

By: Cortney Hanson
Its: City Clerk

Michigan Assoc. of Public Employees

By: Mike Tate
Its: Chief Union Steward
Date: 1/29/2024

By: Chad Trussler
It's: Business Agent

By: Tia Gronlund-Fox

Its: Director of Human Resources

Date: 1-31-24

Date:



Collective Bargaining Agreement Modification and One Year Extension Letter of Understanding

The City of Novi (hereinafter, "City) and the Clerk's & Dispatchers Association of the Police Officers Association of Michigan POAM, (hereinafter, "Union") are parties to a Collective Bargaining Agreement with a term of July 1,2023 - June 30, 2027;

WHEREAS; The Parties wish to extend the terms and conditions of the Collective Bargaining Agreement for an additional one-year period;

WHEREAS; The provisions of the Collective Bargaining Agreement shall remain unchanged except for as specified below.

NOW THEREFORE, the Parties agree as follows:

- 1. The current Collective Bargaining Agreement shall be extended for a period of one (1) year, which shall now expire on June 30, 2028.
- 2. The wage scales for all members of the Union shall be adjusted as follows:
 - 4% increase to all steps effective the first full pay period after City Council ratification.
- 3. All members of the Union shall receive a 3.0% pay raise effective July 1, 2027.
- 4. The Parties acknowledge that all other provisions of the Collective Bargaining Agreement shall remain in force and carry over until the expiration date contained in this Extension Agreement and this Extension Agreement is conditioned upon the acceptance by the City of Novi, and the Novi Clerks & Dispatchers Association of the Patrol Officers Association of Michigan.

City of Novi

By: Justin Fischer

lt's: Mayor Date:

By: Cortney Hanson Its: City Clerk

Date:

By: Tia Gronlund-Fox

Its: Director of Human Resources

Date: 1-31-24

Police Officers Association of Michigan

By: Karen Patterson Its: Union President

Date:

By: Susan Brockmann It's: Business Agent

Date:



Collective Bargaining Agreement Modification and One Year Extension

LETTER OF UNDERSTANDING

The City of Novi (hereinafter, "City) and the **Novi Professional Fire Fighters Union** Local 3232, (hereinafter, "Union") are parties to a Collective Bargaining Agreement for the term of July 1, 2022 – June 30, 2026;

WHEREAS; The Parties wish to extend the terms and conditions of the Collective Bargaining Agreement for an additional one-year period;

WHEREAS; The provisions of the Collective Bargaining Agreement shall remain unchanged except for as specified below.

NOW THEREFORE, the Parties agree as follows:

- 1. The current Collective Bargaining Agreement shall be extended for a period of one (1) year, which shall now expire on June 30, 2027.
- 2. The wage scales for all members of the Union shall be adjusted as follows:
 - 3% increase to all steps following the first full pay period after City Council ratification.
- 3. All members of the Union shall receive a 3.0% pay raise effective July 1, 2026.
- 4. The Parties acknowledge that all other provisions of the Collective Bargaining Agreement shall remain in force and carry over until the expiration date contained in this Extension Agreement. The Parties agree that this Letter of Understanding is subject to ratification by both Parties.

City of Novi

By: Justin Fischer

It's: Mayor Date:

By: Cortney Hanson

Its: City Clerk
Date: 1 1

By: Tia Gronlund-Fox

Its: Director of Human Resources

Date: 1-31-24

Novi Professional Fire Fighters

By: Mike Olando
Its: Union President
Date: 1/31/2024

Date: 1/31/202

By: Plat Duczminski It's: Vice President Date: 1/31/2024



COLLECTIVE BARGAINING AGREEMENT MODIFICATION AND LETTER OF UNDERSTANDING - LOU

The City of Novi (hereinafter, "City) and the City of Novi Paid on Call & Auxiliary Fire Fighters Association MAFF, (hereinafter, "Union") are parties to a Collective Bargaining Agreement for the term of July 1, 2020 – June 30, 2026;

WHEREAS; The Parties wish to extend the terms and conditions of the Collective Bargaining Agreement for an additional one-year period;

WHEREAS; The provisions of the Collective Bargaining Agreement shall remain unchanged except for as specified below.

NOW THEREFORE, the Parties agree as follows:

- 1. The current Collective Bargaining Agreement shall be extended for a period of one (1) year, which shall now expire on June 30, 2027.
- 2. The wage scales for all members of the Union shall be adjusted as follows:
 - Rates of pay shall be increased by \$1.00 per hour at all levels, following the first full pay period after ratification by both parties.
- 3. All members of the Union shall receive a 3.0% pay raise effective July 1, 2026.
- 4. The Parties acknowledge that all other provisions of the Collective Bargaining Agreement shall remain in force and carry over until the expiration date contained in this Extension Agreement and this Extension agreement is conditioned upon the acceptance by the City of Novi and the City of Novi Paid on Call & auxiliary Fire Fighters Association MAFF.

City of Novi

By: Justin Fischer

It's: Mayor Date:

By: Cortney Hanson

Its: City Clerk

Date:

By: Tia Gronlund-Fox

Its: Director of Human Resources

Date: 1~31-24

Michigan Association of Fire Fighters - MAFF

By: Matt Tunnard Its: Union President

Date: 1/3//24

Joe O'Connor

It's: Business Agent

Date: 1-31-204



COLLECTIVE BARGAINING AGREEMENT MODIFICATION AND LETTER OF UNDERSTANDING – LOU

The City of Novi (hereinafter, "City) and the Police Officers Labor Council of Michigan, (hereinafter, "Union") are parties to a Collective Bargaining Agreement for a period of July 1, 2021 – June 30, 2025;

WHEREAS: The provisions of the Collective Bargaining Agreement shall remain unchanged except for as specified below.

NOW THEREFORE, the Parties agree as follows:

- 1. The wage scales for all members of the Union shall be adjusted as follows:
 - 4% increase to all steps and classifications following the first full pay period after City Council ratification.
- 2. The attached Letter of Understanding Lateral Hire shall be incorporated into the Collective Bargaining Agreement.
- 3. The Parties acknowledge that all other provisions of the Collective Bargaining Agreement shall remain in force and carry over until the expiration date.
- 4. This Letter of Understanding is subject to ratification by both parties.

City of Novi

By: Justin Fischer

It's: Mayor

Date:

By: Cortney Hanson

Its: City Clerk

Dates

By: Tia Gronlund-Fox

Its: Director, of Human Resources

Date: 2/2/2024

Police Officers Labor Council of Michigan

By: Scott Woodley
Its: Union President

Date: 2/2/24

By: Jim O'Connor

Date: 2/2/24



LETTER OF UNDERSTANDING Between CITY OF NOVI and POLICE OFFICERS LABOR COUNCIL (POLC)

LATERAL HIRING

The City of Novi (hereinafter, "City") and the Police Officers Labor Council (POLC), (hereinafter, "Union"), agree to the following:

WHEREAS, the City of Novi has experienced a sharp decline in police officer applicants over the past few years;

WHEREAS, in an effort to provide a more attractive recruitment opportunity, the parties have agreed to incorporate Lateral Hiring into the Collective Bargaining Agreement effective January 26, 2024;

WHEREAS, to qualify for Lateral Hiring, an employee hired by the City must have worked for a governmental (city, village, township, county, state, or federal) law enforcement agency in the position of police officer, for a minimum of two (2) years:

WHEREAS, an employee who qualifies for Lateral Hiring, will be moved to the appropriate pay level associated with their experience upon hire;

WHEREAS, a maximum of 4 years of credit may be granted to an employee with four years of prior law enforcement experience;

WHEREAS, any service time granted under this Lateral Hiring agreement will apply only to rate of pay pursuant to attachment A, Wage Schedule of the collective bargaining agreement in effect as of the date of this agreement. This agreement shall not affect seniority for any other purpose;

THEREFORE, the parties hereby agree to Lateral Hiring as stated above.

Police Officers Labor Council (POLC)	2/2/24		
By: Scott Woodley, Union President	Date		
By: Jim O'Connor, POLC Business Agent	2/2/24 Date		
By: Tia Gronland-Fox, Director of Human Resources	2/2/2024 Date		
By: Erick Zinser, Director of Public Safety/Police Chief	2-2-2024 Date		

Expenditure Budget Prior to 4% Increase							
APPROPRIATIONS	2021-22	2022-23	2023-24	2024-25	2025-26		
PERSONNEL SERVICES	30,195,697	32,244,584	32,890,967	33,313,393	34,014,510		
SUPPLIES	966,061	1,141,166	1,470,426	1,048,120	1,093,420		
OTHER SERVICES AND CHARGES	6,722,539	7,980,134	7,497,020	7,704,486	7,740,537		
CAPITAL OUTLAY	1,297,468	1,985,628	1,549,224	2,788,690	2,612,010		
ALLOCATED TO OTHER FUNDS	(1,863,323)	(2,052,209)	(1,917,890)	(1,917,890)	(1,922,890)		
TRANSFERS OUT	338,781	75,000	1,000,000	450,000	370,000		
TOTAL APPROPRIATIONS	37,657,223	41,374,303	42,489,747	43,386,799	43,907,587		
Percent Change in Personnel		6.79%	2.00%	1.28%	2.10%		
Payroll as a % of total expenditures		77.93%	77.41%	76.78%	77.47%		
	Expenditure Totals After the 4% Increase (\$467,500) #						
APPROPRIATIONS	2021-22	2022-23	2023-24	2024-25	2025-26		
PERSONNEL SERVICES	30,195,697	32,244,584	33,358,467	34,222,451	35,078,013		
SUPPLIES	966,061	1,141,166	1,470,426	1,048,120	1,093,420		
OTHER SERVICES AND CHARGES	6,722,542	7,980,131	7,029,520	7,236,986	7,273,037		
CAPITAL OUTLAY	1,297,468	1,985,628	1,549,224	2,788,690	2,392,810		
ALLOCATED TO OTHER FUNDS	(1,863,323)	(2,052,209)	(1,917,890)	(1,917,890)	(1,922,890)		
TRANSFERS OUT	338,781	75,000	1,000,000	450,000	370,000		
TOTAL APPROPRIATIONS	37,657,226	41,374,300	42,489,747	43,828,357	44,284,390		
	Total i	ncrease to budget	-	441,558 **	376,803 **		
Percent Change in Personnel Payroll as a % of total expenditures		<i>6.79%</i> 77.93%	<i>3.45%</i> 78.51%	2.59% 78.08%	2.50% 79.21%		
rayion as a % of total expenditures		77.53%	78.31%	78.08%	73.21/0		
CHANGE IN FUND BALANCE FROM PAYROLL INCREASE			-	-	-		
BEGINNING FUND BALANCE			11,957,140	11,957,140	11,957,140		
ENDING FUND BALANCE			11,957,140	11,957,140	11,957,140		
# The proposed payroll increase in 23/24 will ha annual savings in each department from their	•		•	-			
NOTE: A 4% Increased payroll amount on 1/1/24 annual impact 467,500			863,984	855,561			
Original Revenue Budget				42,457,989	43,974,187		
** Inc from 5% prop tax inflation rate (will cover more than the other 6 months of 4%)				441,558	376,803		
TOTAL Revenues				42,899,547	44,350,990		