



City of Rochester Hills  
AGENDA SUMMARY  
NON-FINANCIAL ITEMS

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Legislative File No: 2017-0536

**TO:** Mayor and City Council Members

**FROM:** Pamela M. Gordon, Human Resources, ext. 2521

**DATE:** November 13, 2017

**SUBJECT:** Settlement Agreement with AFSCME Local 1917.28

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**REQUEST:**

Request to approve the ratified settlement between the City of Rochester Hills and AFSCME Local 1917.28, amending the current union contract in order to implement the new salary schedule authorized for the 2018 budget for members of the local.

**BACKGROUND:**

On July 17, 2017, City Council accepted the Classification and Compensation Study Executive Report, presented by McGrath Human Resources Group. The salary recommendations from the study are included in the 2018 budget, which was adopted by Council on September 25, 2017.

In August, the City and its two AFSCME locals reopened current contracts (in force through the end of 2018) for the purpose of negotiating implementation of the new salary schedules in 2018. The City signed a letter of understanding with AFSCME Local 1917.28 (a.k.a. 1917), which represents nine management employees, on September 9, 2017.

The document serves as a settlement agreement between the City and 1917 to amend the current contract. Only wage related provisions were addressed during these negotiations and the remainder of the contract will remain in force. One significant feature of the settlement is that under the new salary schedule, all 1917 managers will be exempt from overtime pay as permitted under the Fair Labor Standards Act. Initial step adjustments with implementation of their new pay grade will provide added base pay in lieu of overtime pay eligibility.

Negotiations with AFSCME Local 2491 did not result in a ratified settlement agreement. As a result, the new salary schedule will not be implemented in 2018 for the 113 employees they represent. The schedule will be a subject of comprehensive negotiations for a 2019 contract renewal that will begin next Spring.

In addition to Local 1917, the salary schedule implementation for 2018 will include all non-union and part-time employees, department directors and the Mayor. The City is also working with McGrath to develop a comprehensive set of job descriptions (including 2491 positions), and will form a labor/management committee to participate in developing performance review and "added value" incentive programs recommended in McGrath's Executive Report.

**RECOMMENDATION:**

City Council's approval of the ratified settlement between the City of Rochester Hills and AFSCME Local 1917.28 to amend the union contract and implement the budgeted salary schedule, effective with the first pay period of 2018, is hereby recommended.

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
Department Review		
Department Director		
Mayor		
Deputy Clerk		