



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1126
Detroit, Michigan 48226

Phone 313•224•3400
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www.detroitmi.gov

February 24, 2022

HONORABLE CITY COUNCIL:

Re: Implementation of a Lump Sum Retention Bonus Payment for Detroit Police Officers Association (DPOA) BU 3000; Detroit Police Lieutenants and Sergeants Association (DPLSA) BU 6400; and Detroit Police Command Officers Association (DPCOA) BU 6500 & 6550

The DPOA, DPLSA and DPCOA have met and agreed to the following Memorandum of Understanding which provides for a one-time lump sum retention bonus payment of \$2,000.00, payable to all active members and \$1,000.00 for all Police Assistants in DPOA on the payroll as of February 21, 2022. Therefore, in accordance with standard City procedure, the Labor Relations Division respectfully requests that your Honorable Body pass a resolution which approves this payment.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'H. Berry', with a large, stylized flourish at the end.

Hakim W. Berry
Chief Operating Officer

Attachment



Office of the
Chief Financial Officer

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1100
Detroit, Michigan 48226

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**CFO FISCAL IMPACT STATEMENT
NO. 2022-110-001**

SUBJECT: Fiscal Impact of Proposed MOUs between the City of Detroit and Detroit Sworn Police Unions
PREPARED BY: Office of the CFO – Office of Budget
DATE ISSUED: February 15, 2022

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 (“CFO”) 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 (“City Council”) 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 (“FIS”) for pending or enacted decision items with a significant fiscal impact on the City, as determined by the CFO, 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 the effect of the proposed Memoranda of Understanding (“MOUs”) between the City of Detroit (the “City”) and the Detroit Police Officers, Lieutenants and Sergeants, and Command Officers Associations (the “Detroit Sworn Police Unions”).

3. OBJECTIVE

- 3.1. This FIS serves as the report on the fiscal impact of the proposed contract on the City’s annual budget for FY 2022 and four-year financial plan for FY 2022 – FY 2025 (the “City budget”).

4. SCOPE

- 4.1. This FIS is not intended to convey any statements nor opinions on the advisability of the proposal, except for those components that have or may have a fiscal impact on the City budget.
- 4.2. This fiscal impact analysis is based on the proposal as described below in Section 5 of this FIS. Should the proposal change prior to final approval, an updated FIS may be issued.

5. STATEMENT

- 5.1. Conclusion: The proposed MOUs would have **no net impact** on the City budget because resources have been identified to cover the one-time incremental cost.

5.2. Background: The proposed MOUs would, upon approval, provide one-time lump sum payments to eligible members of the Detroit Sworn Police Unions. To be eligible, members must meet certain criteria. The lump sum payments amounts and estimated eligible members are as follows:

- Police Assistants: \$1,000 (estimated 45 members eligible)
- Sown Full-time: \$2,000 (estimated 2,399 members eligible)

Fiscal Impact: The proposed MOUs would have **no net impact** on the City budget because resources have been identified to cover the one-time \$4.9 million incremental cost. The costs of the MOU will be funded from appropriations available for this purpose, including the Detroit Police Department budget and ultimately the ARPA Fund Appropriation No. 22002-City Services and Infrastructure to the extent needed.

**City of Detroit
Detroit Sworn Police Unions**

<i>\$ in thousands</i>	Fiscal Year			
	2022	2023	2024	2025
Proposed lump sum payments				
Police Assistants lump sum	\$ 1	\$ -	\$ -	\$ -
<i>Eligible members</i>	45	-	-	-
Sworn Full-Time lump sum	\$ 2	\$ -	\$ -	\$ -
<i>Eligible members</i>	2,399	-	-	-
Incremental wages	\$ 4,843	\$ -	\$ -	\$ -
Incremental other fringes ¹	27	-	-	-
Total incremental cost of wage increase	\$ 4,870	\$ -	\$ -	\$ -
Available appropriations / ARPA ²	\$ 4,870	\$ -	\$ -	\$ -
Total resources utilized	\$ 4,870	\$ -	\$ -	\$ -
Net impact on Four-Year Financial Plan	\$ -	\$ -	\$ -	\$ -

Notes:

1. Comprised of 0.55% for FICA.
2. The cost of the MOUs will be funded from appropriations available for this purpose, including the ARPA appropriation 22002.


APPROVED



Steven Watson, Deputy CFO / Budget Director

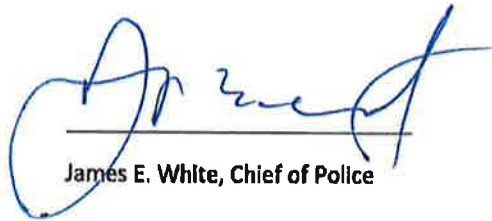
MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF DETROIT
AND
THE DETROIT POLICE OFFICERS ASSOCIATION

The parties recognize that the main collective bargaining agreement is set to expire on June 30, 2022 and it will take time to negotiate a new long-term agreement. In the meantime, the Detroit Police Department is suffering immediate problems of attrition from sworn officers leaving for other police agencies. In order to provide short term protection from a reduction in city services and public safety, the parties have agreed that all active members of the Detroit Police Officers Association as of February 21, 2022 shall receive a one-time lump payment of \$2,000.00, and \$1,000.00 for Police Assistants, payable 30 days following formal approval of this memorandum of understanding.



Craig Miller, President

Detroit Police Officers Association



James E. White, Chief of Police



Hakim W. Berry, Chief Operating Officer

MEMORANDUM OF UNDERSTANDING

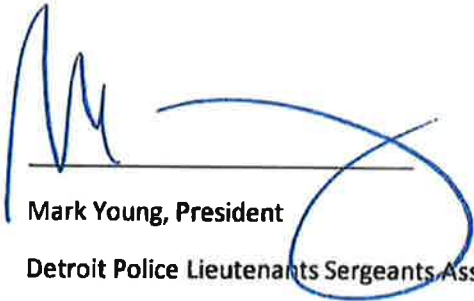
BETWEEN

CITY OF DETROIT

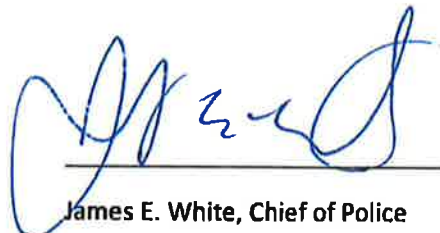
AND

THE DETROIT POLICE LIEUTENANTS SERGEANTS ASSOCIATION

The parties recognize that the main collective bargaining agreement is set to expire on June 30, 2022 and it will take time to negotiate a new long-term agreement. In the meantime, the Detroit Police Department is suffering immediate problems of attrition from sworn officers leaving for other police agencies. In order to provide short term protection from a reduction in city services and public safety, the parties have agreed that all active members of the Detroit Police Lieutenants Sergeants Association as of February 21, 2022 shall receive a one-time lump payment of \$2,000.00, payable 30 days following formal approval of this memorandum of understanding.



Mark Young, President
Detroit Police Lieutenants Sergeants Association



James E. White, Chief of Police



Hakim W. Berry, Chief Operating Officer

MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF DETROIT
AND
THE DETROIT POLICE COMMAND OFFICERS ASSOCIATION

The parties recognize that the main collective bargaining agreement is set to expire on June 30, 2022 and it will take time to negotiate a new long-term agreement. In the meantime, the Detroit Police Department is suffering immediate problems of attrition from sworn officers leaving for other police agencies. In order to provide short term protection from a reduction in city services and public safety, the parties have agreed that all active members of the Detroit Police Command Officers Association as of February 21, 2022 shall receive a one-time lump payment of \$2,000.00, payable 30 days following formal approval of this memorandum of understanding.



Stacy Alvarado, President
Detroit Police Command Officers Association



James E. White, Chief of Police



Aric Tosqui, Vice President



Hakim W. Berry, Chief Operating Officer



Mayor's Office

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By Council Member _____ :

RESOLVED, that the members of the DPOA, the DPLSA and the DPCOA shall receive a one-time lump sum bonus of \$2,000.00, and \$1,000.00 for all Police Assistants in DPOA as recommended in accordance with the attached Memorandum of Understanding, and be it further

RESOLVED, that the Finance Director is hereby authorized to honor payrolls and vouchers in accordance with this resolution and letter.