



CITY OF DETROIT
HUMAN RESOURCES DEPARTMENT
LABOR RELATIONS DIVISION

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July 30, 2025

HONORABLE CITY COUNCIL:

Re: Implementation of the 2024 - 2028 Labor Agreement between the City of Detroit and Employees Represented by Association of City of Detroit Supervisors

The Labor Relations Division is recommending your Honorable Body's official approval of the 2024 - 2028 Master Agreement between the City of Detroit and Association of City of Detroit Supervisors.

The Master Agreement covers wages, hours and other basic conditions of employment from July 1, 2024 through June 30, 2028. 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,

A handwritten signature in blue ink that reads "Valerie A. Colbert-Osamuede".

Valerie A. Colbert-Osamuede
Interim Director, Labor Relations

Attachments



By Council Member _____ :

WHEREAS, the City of Detroit and Association of City of Detroit Supervisors 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 Association of City of Detroit Supervisors have met and negotiated this labor agreement which covers wages, hours and other basic conditions of employment through June 30, 2028.

NOW, THEREFORE, BE IT RESOLVED, that the Master Agreement between the City of Detroit and Association of City of Detroit Supervisors, be and is hereby approved and confirmed in accordance with the foregoing communication.



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CFO FISCAL IMPACT STATEMENT NO. 2025-110-010

SUBJECT: Fiscal Impact of Labor Agreement between the City of Detroit and The Association of City of Detroit Supervisors

PREPARED BY: Office of the CFO – Office of Budget

DATE ISSUED: July 24, 2025

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 ("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 labor agreement between the City of Detroit (The "City") and the Association of City of Detroit Supervisors (The "ACODS").

3. OBJECTIVE

- 3.1. This FIS serves as the report on the fiscal impact of the proposed on the City's annual budget for FY 2026 and four-year financial plan for FY 2026 – FY 2029 (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 Association of City of Detroit Supervisors labor agreement would have **no net impact** on the City Budget, as resources have been budgeted and identified to cover the incremental cost of the contract.

5.2. Background: The ACODS labor agreement impacts the following departments: Buildings, Safety, Engineering & Environmental Department, Department of Public Works, and the General Services Department. The previous ACODS labor contract expired on June 30, 2024, and they have been without a labor agreement throughout FY 2025. The agreement includes 2% annual wage increases in FY 2025-2028 and targeted market rate adjustments for District Clerks (21% for 5 FTE) and Senior Motor Vehicle Dispatchers (32% for 1 FTE). The market adjustments will provide these job codes with more competitive wages and help improve retention and recruitment efforts. These targeted market adjustments are retroactive to July 1, 2024.

The agreement also includes a one-time retention signing bonus of \$250 for all current employees and a \$0.25/hour increase in afternoon and evening shift premiums. The agreement also changes the current biannual allowances for uniform furnishings, tools, and clothing to annual allowances, and increases the clothing allowance rate from \$170 to \$200.

5.3. Fiscal Impact: The ACODS labor agreement has **no net impact** on the City budget, as resources are available to cover the incremental cost as summarized in the following table. The City budget includes resources set aside in Non-Departmental for various workforce investments and pending labor contracts. Sufficient resources are budgeted in the workforce investments account to cover the incremental cost of the ACODS labor agreement. Although the labor agreement does not have a fiscal impact on the current City budget, it may have a long-term financial impact if the workforce investment drawdown amount noted in the table below is restored in future City budgets.

City of Detroit
FIS - Association of City of Detroit Supervisors

	FY 2026	FY 2027	FY 2028	FY 2029
Current Budgeted Salaries				
Current annual base wages	\$ 1,668,011	\$ 1,701,371	\$ 1,735,399	\$ 1,770,107
Annual General Wage increase	2.0%	2.0%	2.0%	2.0%
Budgeted Positions	29	29	29	29
Average Base Pay	\$ 57,518	\$ 58,668	\$ 59,841	\$ 61,038
Proposed Salaries				
Proposed Salaries	\$ 1,721,039	\$ 1,755,460	\$ 1,790,569	\$ 1,826,380
Annual General Wage increase	2.0%	2.0%	2.0%	2.0%
Market Adjustment Rate ¹	3.2%			
Average Base Pay	\$ 59,346	\$ 60,533	\$ 61,744	\$ 62,979
Incremental wages	\$ 53,028	\$ 54,089	\$ 55,170	\$ 56,274
Incremental overtime ²	2,651	2,704	2,759	2,814
Incremental other fringes	7,558	7,709	7,863	7,981
Other Incremental Impacts				
One-Time Retention Signing Bonus \$250	\$ 7,250	\$ -	\$ -	\$ -
Uniform Furnish Increase (\$350 biannual to annual)	-	8,400	-	8,400
Sub Foreman Tool Allowance (\$150 biannual to annual)	-	3,150	-	3,150
Shift Premium Increase (0.25/Hr.) ³	1,500	1,530	1,561	1,592
Clothing Allowance Increase (\$170 biannual to \$200 annual)	870	5,800	870	5,800
Lump Sum Retro Payment (One-Time) ⁴	38,000	-	-	-
Total incremental cost of contract	\$ 111,000	\$ 83,000	\$ 68,000	\$ 86,000
Cost Offsets				
FY26 Workforce Investment Fund ⁵	\$ (111,000)	\$ (83,000)	\$ (68,000)	\$ (86,000)
Net impact on Four-Year Financial Plan	\$ -	\$ -	\$ -	\$ -

Notes:

Labor agreement expires at the end of FY28. FIS assumes continued wage pattern in FY29.

Fund Composition of incremental cost is as follows:

- General Fund: 38%
- Major Street Fund: 19%
- Solid Waste Management Fund: 43%

(1) Market rate adjustments are applied only to District Clerks (5 FTE) and Senior Motor Vehicle Dispatchers (1 FTE) with a 3.2% total union-wide increase. Average market increase per District Clerks is 21%, and Senior Motor Vehicle Dispatcher is 32%.

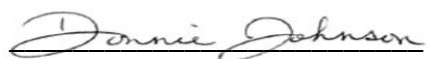
(2) Assumes 5% overtime rate due to historical actuals.

(3) Based on current annual afternoon and evening shift premium trends.

(4) One-time lump sum is reflective of retroactive market adjustments to July 1, 2024 for District Clerks and Senior Motor Vehicle Dispatchers.

(5) The FY26 City budget includes Workforce Investment Fund resource to support the costs of the contract that exceed the budgeted wage pattern.

APPROVED



Donnie Johnson
 Acting Deputy CFO/Budget Director