

## **CURRENT CONTRACT NEGOTIATED LESS THAN SIX MONTHS AGO**

The DPOA and the City reached a landmark contract less than six months ago. The DPOA members accepted the concessions the City wanted. The DPOA membership voluntarily agreed to the following structural reforms to the DPOA/City Agreement:

- All new hires will be placed in a pension defined contribution plan, thus reducing significantly the City's contribution for new hire pension by millions of dollars.
- The DPOA agreed to reduce the pension multiplier of current police officers for future years of service which will result in the City paying less into the pension fund. The reduced multiplier means nearly a 20% cut in retiree benefits for future years of service for all current officers.
- Detroit Police Officers have agreed to wage freeze through June 30, 2012 and have not received a wage increase since July 1, 2008.
- The pension defined benefit escalator which helps offset inflation for retirees has been eliminated. The elimination of the escalator benefit means the City will contribute less to the pension plan.
- The DPOA membership agreed to a 20% insurance co-pay which on average requires a police officer to contribute approximately \$110 biweekly for his/her health insurance.
- The DPOA gave up police officer jobs in the district court that they have filled for many years. The civilization of the district court will save the City thousands of dollars by replacing police officers with non-uniform employees. The DPOA's agreement to civilize the district court provides an opportunity to get more police officers on the street.

## **CITY SEEKS MORE CUTS**

Now less than six months into our current contract, the City is seeking even deeper cuts. The City has indicated that unless the cuts are given, there will be layoffs and an emergency manager will be put in place by the State to rip up the DPOA contract. The City demands are made despite the fact that a substantial number of City employees and City council have yet to agree to concessions that the DPOA made months ago. For example, the DPOA membership has made major concessions in pension which other employees have not made. You would think that before the City asked for more from its police officers that other employees would be required to assume some of the major concessions that the DPOA has already gone along with.

## **BEST PRACTICE/CITY COUNCIL**

The DPOA has requested information from the City as to whether they have applied for state “best practice” money. The state wants the DPOA to pay \$1,000 to get the information whether the City has even applied for best practice money. The DPOA concessions regarding pension, insurance, and wage freeze meet state requirements to get best practice dollars. According to the City they were able to recoup nine million dollars (best practice) from the state that money should be use to off set the any concessions demanded by the city.

The City Council where each member has a budget of \$700,000 or more has refused to cut their budget. Yet they come after the DPOA members for more give backs.

## **SAFETY**

Approximately five years ago there were 2335 police officers currently the manpower level is at approximately 2100 police officers. The delivery of police services is at a breaking point. Few police officers create a danger, not only for themselves but for the citizens they work to protect. What will be the impact on Detroit police officers if the City’s demands are granted? The City wants nearly 28 million dollars taken from Detroit police officers. It would cost an average police officer over \$13,000 a year to achieve the City’s concessionary demands. It is not difficult to imagine how destructive a \$13,000 plus cut would be. Detroit police officers are paid less than their suburban counterparts and rank at the bottom of compensation comparisons to other large cities.

## **CONTRACT TERMS THAT COULD BE NEGOTIATED**

Despite the above, the DPOA is prepared to discuss other means of saving the City money. There are areas that I am willing to review wherein the city could realize saving with minimal impact to the membership, provided the benefits “pop up” at the expiration of any agreed upon contract extension. Any attempt to negotiate would require an agreement from the state that if the DPOA agreed with more concessions that a state appointed emergency manager and /or bankruptcy could not ask for more from the DPOA members.