

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF DETROIT
AND
SEIU (SUPERVISORY)

The unprecedented events surrounding the COVID-19 pandemic has caused an economic and financial crisis throughout the United States, Michigan, and the City of Detroit (City).

The City's revenue collections have suffered due to COVID-19. Specifically, the City is facing a projected \$154 Million revenue shortfall for this fiscal year and a projected \$194 Million revenue shortfall for fiscal year 2021. The City recognizes the sacrifices of its employees who have taken reductions in hours and layoffs. The parties recognize the need for additional savings from its full-time employees to balance the budget and to avoid State of Michigan oversight.

The Union agrees to forgo the following scheduled economic increases applicable to its **Supervisory Unit Collective Bargaining Agreement** expiring June 30, 2023 that affect its bargaining unit members:

- Eliminate 2% wage increase that was effective July 1, 2020
- Eliminate all step increases, all merit increases and all bonus payments beginning July 1, 2020 through June 30, 2021.
- Add lump sum payments as follows:
 - o **\$350** payable on the first pay date after July 1, 2020
 - o **\$250** payable on the first pay date after July 1, 2021
 - o **\$250** payable on the first pay date after July 1, 2022
- Extend contract by 1 year through June 30, 2024
- Add 2.5% wage increase, effective July 1, 2023

Health Insurance

- New employees will be automatically enrolled in the Blue Care Network HMO plan unless they opt-out of coverage.
- New employee Blue Care Network health insurance will be effective after 30 days of employment instead of 90 days
- New employees will have the option to enroll in any City-offered health plan at the next regularly scheduled citywide Open Enrollment Period for the subsequent Plan Year

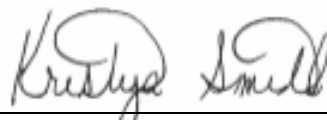
Dated this 22nd day of June, 2020.

THE SERVICE EMPLOYEES
INTERNATIONAL UNION LOCAL 517-M

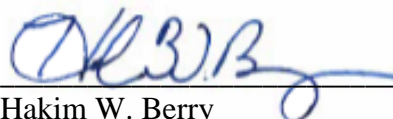


Dominic Barbato
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CITY OF DETROIT



Krisyta Smith, MS SPHR
Labor Relations Administrator IV



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