UNITED STATES BANKRUPTCY COURT EASTERN DISTICT OF MICHIGAN SOUTHERN MICHIGAN

In re:
City of Detroit, Michigan
Debtor

Bankruptcy Case No. 13-53846 Honorable Thomas J. Tucker Chapter 9

CLAIMANT'S RESPONSE TO DEBTOR'S OMNIBUS OBJECTION TO CERTAIN CHANGES

Michelle Duff ("Claimant") hereby responds to the Debtor's Objection to Certain Claims filed by Claimant. In support hereof, Claimant respectfully states the following:

- 1. During the bankruptcy proceedings Claimant properly filed her Proof of Claim with the Court.
- 2. In the Proof of Claim, Claimant assets a claim against the Debtor in the sum of \$39,997.50 as a result of non-payment of employee wages due to her for employment.
- 3. In the Objection, the Debtor seeks to disallow the Proof of Claims to zero claiming that there is no basis for the Debtor to have liability.
- 4. For the reasons set forth in detail below, Claimant requests that the Court overrule the Objection to her claim and allow the claim in the amount set forth in her Proof of Claim.

Factual Background

- 5. During the 2012, the Claimant was an employee of the Planning Development Department for the City of Detroit. While an employee of this department her salary was paid for with federal grant funds, i.e. Community Development block Grant funds. At no time was her salary paid using the Debtor's General Fund dollars.
- 6. Beginning in 2012, the Debtor instituted a 10% budget cut instituted through furlough days in order to save General Fund dollars. At no time did Claimant's salary or benefits impact the General Fund.

7. The grant funds retained by the Debtor through the implementation of the furlough days is still being retained by the Debtor and is in danger of being recaptured by the

federal government.

8. Because the Claimant's salary is funded by grant funds, it had no impact on the

City's bankruptcy.

9. The Debtor bases its Objection on the implementation of the Debtor's CETs. This

has no relation to CETs.

10. The Objection is grounded on the belief that there is no valid basis for liability of

the City, Liability exists because cuts sustained by Claimant for no relation to the General Fund

therefore no relation to the bankruptcy.

Because the claims have relation to the bankruptcy, they the claims should be 11.

allowed to proceed.

WHEREFORE, for all the foregoing reasons, Claimant, Michelle Duff, respectfully

request that the Court overrule the Objection to Claimant's claim and allow such claim in full in

the amounts provided in Claimant's Proof of Claim, and grant such other relief as the Court

deems just and equitable.

Date: June 2, 2016

Detroit, Michigan

Respectfully submitted,

Michelle Duff

322 Kerby Road

Grosse Pointe Farms, MI 48236

(313) 570-5879

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CITY OF DETROIT
HUMAN RESOURCES DEPARTMENT
LABOR RELATIONS DIVISION

TO:

All Department Directors, Deputies and Agency Heads

FROM:

Joseph P. Martinico, Labor Relations Director

DATE:

February 24, 2011

RE:

IMPLEMENTATION OF BUDGET REQUIRED FURLOUGH DAYS FOR SENIOR ACCOUNTANTS, ANALYSTS AND

APPRAISERS (SAAA) BU 7100

This notice is to inform you that effective March 14, 2011, employees represented by SAAA will begin to observe unpaid Budget Required Furlough (BRF) Days. In accordance with the terms and conditions of their 2008 – 2012 collective bargaining agreement, the BRF days will be continued for three consecutive twelve-month periods. Please refer to the attached documents for the BRF implementation guidelines and schedule.

Attachments

Budget-Required Furlough (BRF) Day Implementation Guidelines

(These guidelines are intended to be used for implementing budget-required furlough days for union represented employees.)

- Budget-Required Furlough (BRF) Days are prescheduled days off without pay. BRF days are to be taken in eight
 (8) hour increments.
- Labor Relations will provide notice to departments when specific bargaining units are to start the BRF days. Please
 do not implement the established BRF day schedule prior to receiving this notice. All affected unions will also
 receive notice from Labor Relations.
- Upon receipt of notice from Labor Relations, directors will be responsible for providing notice to the union represented employees, within their department, of the BRF start date.
- To the maximum extent possible, all employees are required to take BRF days off without pay in accordance with the City of Detroit's official BRF schedule. We must however, provide an appropriate level of supervision to manage work activities and employees who are not, as of this time, participating in the BRF. To ensure adequate levels of supervision, directors must assign a limited number of supervisors to manage operations on BRF days.
- Employees who are scheduled to work on a BRF day will be paid for the day, but will be required to take a BRF make-up day. BRF make-up days are to be scheduled by the department and taken by the employee as soon as possible. The requirement is that all BRF make-up days (without pay) must be taken within the 12-month period. (Example Employee A must work the scheduled BRF day on Monday, February 15, 2010. Employee A's make-up BRF day must be taken before the end of the twelve month period in which the BRF was missed.)
- Directors are responsible for ensuring that in instances where employees are required to work on a BRF day, that a BRF make-up day is scheduled and taken by the employee. BRF make-up days should only be used when absolutely necessary. In an effort to prevent an entitlement to unemployment compensation, an employee should not be allowed to take more than two (2) furlough days in a pay cycle and cannot take more than one (1) furlough day per calendar week.
- Emergency and 24 hour/7 day Operations: The City recognizes that emergency service and certain 24 hour/7 day operations will not be able to reduce work hours or close on BRF days without incurring additional overtime costs. All 2008 2012 labor agreements contain an exception provision for these operations. However, all department directors are hereby instructed to implement the BRF day schedule to the maximum extent possible.
- Emergency Call In: Employees should only be called in for an emergency situation on BRF days. If an employee is called in to work on a BRF day, the employee will be paid in accordance with the "show-up" or "call back" payroll rules specified in the labor agreement or City Code. In this instance, the employee will NOT be required to make up the BRF day, regardless of the number of hours the employee is required to work. Again, this rule only applies in situations where the employee was called in to work on the BRF day. It does not apply when advance notice was provided to the employee that he/she is required to work on the BRF day.
- Grant agencies will be required to take BRF days. It may be necessary to extend the hours of operation. Department Directors are responsible for determining the hours of operation, with approval from the Mayor's Office, and to ensure the appropriate staffing levels are provided, including supervision.

Note: Directors are required to provide documented rationale for all instances where BRF make-up days have been waived. Copies of such documentation must be provided to appropriate Group Executives, Labor Relations, and Budget for review.

C of D - LRD January 25, 2010

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CITY OF DETROIT
HUMAN RESOURCES DEPARTMENT
LABOR RELATIONS DIVISION

To:

All City of Detroit Employees

From:

Joseph P. Martinico, Labor Relations Director.

Subject:

Elimination of the Paid Lunch Period

Date:

November 7, 2011

This notice is to inform you that pursuant to recently negotiated changes to the labor agreements, the regular full working day for City employees shall consist of eight (8) hours of work in the service day, exclusive of the lunch break. Employees must work forty hours to be paid for forty hours; there are no paid lunch periods. Each department will be responsible for monitoring the implementation of the 40 hour work week and the timekeeping thereafter, in either Workbrain or on a manual timesheet, effective 12/12/11.

In order to implement the elimination of the paid lunch period in Workbrain, a new shift pattern will be assigned to employees who currently are assigned a paid lunch. Employee's belonging to a union where there is no settled or imposed contract will not be included in the implementation process at this time.

Any questions regarding the assignment of new shift patterns should be directed to your department management team.



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INTER-DEPARTMENTAL COMMUNICATION

To:

City of Detroit Employees

From:

Lamont D. Satchel, Esq.,

Director of Labor Relations

Date:

November 28, 2012

RE:

Implementation of Pension Changes for Non-Uniform Employees subject

to CETs (Clarification)

In response to employees' feedback, this communication updates and clarifies the prior communication on the specific pension items and related qualifications for the City Employment Terms listed below.

<u>Retirement Multiplier</u> – The multiplier is reduced to 1.5% for all service time rendered on or after December 1, 2012.

<u>Escalator</u> – The 2.25% annual escalator is eliminated effective December 1, 2012.

<u>Unused Sick Leave on Retirement</u> – Eligible employees shall continue to receive payment of sixty percent (60%) of their unused sick leave banks accrued prior to July 17, 2012. Any sick leave accumulated after July 17, 2012 will not be paid out.

<u>Sick Time Inclusion in Final Average Compensation</u> — Effective December 1, 2012, the provision which allowed employees to roll 25% of the unused sick leave balances into their Average Final Compensation (AFC) will be discontinued.

Qualifications for the pre-CET retirement provisions:

- (a) Must be eligible for a service retirement (30 years of service) or Early Actuarially Reduced Pension (25 years of credited service but less than 30) on or before November 30, 2012.
- (b) The Notice of Intent of Retirement, Pre-Retirement Information and/or Notice of Retirement forms must be signed, dated and received by the Payroll Division on or before November 30, 2012.
- (c) The Employee's Last Day Worked must be no later than December 31, 2012.

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INTER-DEPARTMENTAL COMMUNICATION

June 24, 2013

To:

City of Detroit Employees

From:

Lamont D. Satchel, Esq.

Director of Labor Relations

RE:

Benefits Changes for CET Governed Employees

As you know, the City of Detroit implemented employment terms ("City Employment Terms" or "CET") for employees in certain unions including the Detroit Water and Sewerage Department.

Indicated below are benefit changes and implementation dates.

<u>Vacation Accrual/Carryover Cap</u> – Vacation hours are capped at 240 hours and accrual over this amount must be used before September 30, 2013. Going forward the cap on accrual /carryover of vacation hours will be reduced to 160 on October 1, 2014.

Elimination of Swing Holiday and Election Day as Holiday – Effective July 1, 2013, Swing Holidays are eliminated, including the proration of swing holidays for new hires. Election Days formerly treated as an Excused Time Holiday will be considered a work day.

<u>Elimination of Bonus Vacation Days</u> - Effective July 1, 2013, employees will no longer receive bonus vacation days.

Sick Time Banks – Award of Reserve and Seniority Sick Banks will be discontinued. No more accruals to these banks will be made after July 1, 2012, however they will be available for use.

If there are any questions or concerns, please contact Labor Relations at 313-224-3860.

LDS/lbw

2011 (Revised)

Management reserves the right to establish the Budget Required Furlough (days off with no pay) schedule, including the designation of the implementation date. This schedule is provided for concept demonstration purposes only and does not in any way obligate the City to implement this particular schedule. As such, it is understood that the dates that have been designated herein as BRF days are subject to change. Appropriate adjustments shall be made to achieve 26 days without pay during the fiscal year, and to the greatest extent possible to achieve uniformity among the City's various bargaining units.

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Budget Required Furlough (No-Pay)

2012

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2013

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Budget Required Furlough (No-Pay)