

EMPLOYEE RELATIONS COMMITTEE MEETING

Tuesday, March 27, 2007

Council Chambers

PRESENT: Alds. Krill, Maher, Meaux, Purins, Stepaniak – 5

ALSO PRESENT: J. Archambo, City Admin.; A. Kesner, City Atty.; B. Aldana, Asst. City Atty./Personnel Admin.

Ald. Purins as chair called the meeting to order at 7:33 p.m.

Review of presentations by Charlie Carlson, Carlson Dettman and Marshall Gratz, Wisconsin Employee Relations Commission

Ms. Aldana noted that the purpose of the discussion was to get feedback from the committee regarding the two presentations. Mr. Archambo remarked that the intent of the presentations was to help provide some understanding and background information before the city enters into the collective bargaining process with the unions. He added that he will be presenting comparables from other communities with regard to salaries and compensation as well as proposals for health care benefits.

Ald. Maher was very interested in Mr. Gratz's discussion about the interaction between the negotiations and the economic condition of the city and the city's capacity to provide compensation for the employees. He asked if there should be another component to the comparables that include the city's ability to pay. Mr. Archambo said there were a number of pieces of information that may speak to that issue such as the community's tax rate, the property value per person per capita, the percent of obligation bonding that is consumed.

Ms. Aldana noted that there are different schools of thought with room for creativity and new arguments. One context would be which community would Wauwatosa's closest comparable. Ald. Maher asked about the possibility of longer union contracts. Ms. Aldana responded that municipalities are limited to a maximum of three years per contract; although, the contract can be shorter than 3 years.

Ald. Meaux observed that the national average for employee benefits is 43%. He asked about being able to look at the percentage of the workforce that is retired and the portion that is paying for retirees. He would like to see a fair comparison. Mr. Archambo noted that the city uses a factor between 50% and 54% compared to the 43%; however, he didn't know to what extent retiree benefits would be included in that percentage. Ald. Meaux was concerned that there might be a change in dynamic between municipalities that have a younger workforce and municipalities that have more retirees. He noted that these conditions tend to be cyclical.

Ald. Maher asked if there has been any attempt to focus the evaluation of a position's worth upon the outcome or productivity of the employees. He asked about the effectiveness of city staff. Ald. Meaux asked if one measure could be comparing the number of Full Time Equivalent employees against the population of Wauwatosa.

Mr. Archambo stressed that the long term question is budgeting. What are the services the city provides and how much does it truly cost to provide each of those services. Ald. Maher saw this as a very important question noting that city departments tend to have smaller staffs. He asked if the city was asking the staff to be more productive than other cities and how does that translate in compensation.

Ald. Stepaniak asked about the driving force in the particular dynamics of the various bargaining units. Much of the data outlines the situation as is and not what might happen in the future. He noted that the information that Ald. Maher was asking for was good information to have. He added that what the committee and the Council have to deal with are the terms and conditions of employment. If the city does not have enough money there won't be enough to give raises or to maintain the same number of bodies. It would be difficult to retrofit a compensation plan based on production such as police salaries based on the number of arrests they make.

Ald. Purins pointed out that the Carlson Dettman study observed that it would be a good idea to reassess the salary structure on a regular basis. If contracts are negotiated every three years, reassessing the pay plans for the non-represented employees would be a good idea. In two months the committee could have an assessment of how the pay plan for non-represented people compares to other cities. He also asked for a review of the last union contract and what agreements were reached. Ald. Stepaniak agreed that updating the Carlson Dettman study would help the committee to stay on top of this issue; however, he didn't know if it was appropriate to do this before the next round of negotiations.

Ald. Maher asked that an update on the changes that have been made in health benefits be included in the information regarding the last union contract negotiations.

Update on health insurance/collective bargaining information

Mr. Archambo said he and the staff have been spending a considerable amount of time on health insurance. Their current plan entails: 1) trying to create a benchmark as far as what is reasonable to plan for with regarding to costs. They have a working idea that the benchmark will be the state plan, but they would like to see if they can do better than that; 2) having the correct framework with regard to a consumer driven health plan; and 3) a third option that is not yet specified. They will use the maximum of all these factors plus what the experts have suggested as ways to contain costs. Ms. Aldana added that they have been collaborating with the health department on strategies that may already be available to use. At this time, they are transitioning between gathering information and formulating what they are considering. Mr. Archambo added that they will have recommendations as to what direction they can take and a list of questions regarding how they are coming to their conclusions.

The meeting adjourned at 8:05 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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