

**EMPLOYEE RELATIONS COMMITTEE MEETING**

Tuesday, March 25, 2008  
Council Chambers

PRESENT: Alds. Purins, Stepaniak, Meaux, Maher - 4

EXCUSED: Ald. Krill

ALSO PRESENT: J Archambo, City Admin.; E. Miller-Carter, Asst. City Atty.;  
M. Anton, Asst. Fire Chief; B. Weber, Police Chief; Sgt. C. Fox, Police;  
Police Officer, L. Kavelaris; Asst. Fire Chief J. Hevey; Cpt. Dale Weiss, Police

Ald. Purins as chair called the meeting to order at 7:02 p.m. - 4

**Proposed wage and benefit changes for non-represented employees**

Mr. Archambo reported that the proposal being presented has the same benefits as the non-represented with one distinction of protected vs. non-protected.

Ald. Stepaniak commented on the current pay scale and how the step process works. He mentioned that new employees are at the bottom of the pay scale coming into the system and through the step process they eventually top out when steps are no longer available. The cost of living adjustment keeps the individual's position current with the market and equal compared to the purchasing power of the dollar. With regards to creating a bonus pool, this will take time. This will require a substantial evaluation process with benchmarks and objective standards being set. A targeted incentive program could be addressed such as the specific objectives in the health and wellness program which reduces employee health care cost if they participate or doubles it if they don't.

Ald. Purins asked Mr. Archambo what percentage the average step increase is. Mr. Archambo reported that it is between 2 to 2 ½%. In time the steps equal out to zero aggregate. Ald. Donegan commented that the steps work in favor of the city in deflating wages.

Ald. Maher noted that one of the issues brought up at a prior meeting was a request for quarterly reports and performance. He has a concern that 16 alderpersons could ask the administrator for 16 different reports. Please consider that in light of the report requests. Ald. Maher commented that he is intrigued by the performance aspect in regards to raises. This is difficult and will take time to be done correctly. This is not something that could be done this year. He does not have a problem approving the proposal presented which is consistent with the other contracts already approved.

Ald. Meaux expressed that more work needs to be done, but at the same time the issue should move forward. He is hesitant to adopt this for the next three years and suggested approval for 2008 only. Over the course of the year it can be seen how things come in at the 103% rate. This would give the committee a chance to revisit this then. The stage is being set for long term health care obligations. The city is at a pivotal point, and needs to look at long term stability.

Ald. Stepaniak commented that the proposal does a good job of laying out the criteria. Equitability needs to be addressed. There could be a number of positions coming up where recruitment will be necessary in the next five to eight years. The issue of performance incentive does make sense. It will be enormously

difficult. This will need to be done in a deliberate well thought out way. Equitability in the non-represented group is the direction we are going.

Mr. Archambo commented that one of his concerns is the wellness package where benefits screenings and testing come into play in 2009 which could have a financial impact. The employees may want to get started in this in 2008. The Wisconsin Retirement System fund is dependent upon the market and will determine retirement pay up or down which is out of the city's control. There is not a great deal of certainty from one year to the next regarding health care. Last year was extremely good and will be a tough act to follow. Mr. Archambo reported he is relatively sure they would end up with a budget under 103% for next year.

Ald. Purins commented that the city could go the easy route and approve this for three years, or does this committee look out for just one year and speculate. They have predicted what they expect to happen in the next two years, but can those predictions be crystallized. He stated he is comfortable approving wages and benefits for one year. It is important to address the concerns regarding management and non-represented compensation.

Asst. Fire Chief, Mike Anton; Chairman of the Employee Council was speaking as a group representative and he invited non represented members to speak if they felt he hadn't addressed their concerns. He reported that at the beginning of 2007 there were ongoing discussions with administration on how the city and the committee would deal with the non-represented groups. Health insurance was one of the top issues discussed. No real progress or heart felt discussion has been ongoing into this year. He agreed that a further study with thoughtful discussion on incentives would be appropriate. Asst. Fire Chief Anton expressed concern that the strategy now being taken for the non-represented employees was not taken with the represented. He wondered what kind of a message this would be sending. There needs to be an incentive for employees to advance into non-represented positions. It has been proven that the city can get viable candidates from the outside, but they also need to attract interest from within.

Police Chief Barry Weber commented that he doesn't want to come back in nine months to see if the non-represented are worthy enough to be given the same benefits as union employees. Why should the non-represented employees be treated any less?

Police Officer Lynn Kavelaris, 1080 Lois Ave., Brookfield, commented that he came to speak as part of the represented group. He represents those employees that may become supervisors. He suggested that there might be some reluctance to advance into a supervisory position due to the uncertainty of what will happen with benefits down the road. He questioned why the same wage and benefit package would not be extended to the group that is held in such high esteem. They should be given the same type of assurances, anything less than that would make them disenfranchised. The last time the city attempted an incentive program it was a debacle. He would like to see some other type of benefit given across the board for non-represented employees.

Police Sgt. Chris Fox commented that he serves on village board where he lives and understands incentive programs. He was a little surprised that wages and benefits are being looked at separately. The wage and benefits package should be the base issue. The represented employees question why they should consider advancement when there is such uncertainty. People will be turned off by the fear of the unknown and this will be demoralizing. He asked that the committee consider the proposal related to the wage and benefits package as presented and accepted by the union.

Police Cpt. Dale Weiss questioned why the package is good enough for all the unions but not the non-represented. He commented that his understanding of the new health risk assessment and wellness program with the three year deal would allow time for development. If only one year was offered to the non-represented, they wouldn't have the same amount of time for the wellness component as the

represented employees. This could cost them financially. He commented that a commitment has already been made with 80% of the city employees and this sends a different signal. A three year commitment is important.

Mr. Archambo responded that in regards to the represented group the terms of the contract are negotiated.

Ald. Purins commented that his concern is what if they want to do something in one year or 15 months cafeteria style? What he is sensing is that there has not been the same negotiation process as with represented employees and maybe that needs to happen. He stressed that he doesn't see it as demeaning or a negative if the same packages were not offered. The legitimate concerns need to be addressed.

Asst. Fire Chief Anton commented that the non-represented employees are not asking for a written contract. A better plan for all employees could be introduced at a later time. It is a little unsettling that the city only wants to commit to one year. He expressed a level of concern about employment futures for people considering moving into these positions. This will continue and only worsen without any confidence. He inquired if discussion could happen together to make it beneficial to everyone involved.

Asst. Chief Hevey commented that he takes exceptions to the tough decisions comment Ald. Purins made. A lot of the members in this room have been here much longer than members on this committee. In 1999 they were asked to hold the line in hiring and budgets and the employees did that.

Ald. Donegan asked to reiterate what he proposed. The most important piece is that the committee exercise rigorous oversight to keep human resources at 3% or less. This is imperative. If this percentage is not controlled, less street work and other projects will be done. Ald. Donegan reported that he supports the city administrator's proposal to mimic the benefits package as proposed and assumed it would be for three years. It would be very difficult to not honor the benefits package for all the reasons mentioned. The non-represented employees should be extended the same benefits. Future wage issues should be at the city administrator's discretion.

Ald Krill arrive at 7:55 p.m. (- 5 )

Moved by Ald. Maher, seconded by Ald. Meaux to recommend  
the creation of an ordinance for introduction amending  
Section 2.59.040 of the city code regarding changes in benefits  
and wages for non-represented employees  
- Ayes: 3, Noes 2 (Meaux, Stepaniak)

Ald. Meaux said he would not support this proposal. He would like to limit it to two years. He doesn't understand why the city is stuck on a three year cycle and feels that the dynamic could be changed.

Ald. Maher commented that he didn't come into the meeting thinking he would agree to a three year agreement. After listening to the group he doesn't feel it would be fair to not treat them the same. Over the next three years the representatives and administration should be working together on the benefits package.

## **Operations and Engineering Department reorganization**

Mr. Kappel presented this opportunity which involves two key administrative positions. He noted that the departure of the Public Works Analyst would allow for recruitment of an Operations Superintendent who would be responsible for daily public works operations which have been primarily handled by the director since the 2003 lay-off of the Operations Superintendent. The recommended pay range for this position would be slightly lower than was previously classified.

Mr. Kappel said the departure of the Fleet Manager would allow for the position to be recruited at a lower classification. Previously this superintendent supervised two Fleet Maintenance Supervisors as well as the Traffic Supervisor. The incumbent supervises the Traffic and Electrical Supervisor and the fleet maintenance section. The department recommends placing all three of the superintendents at the same pay range which includes the Parks & Forestry Superintendent.

The fiscal impact as presented has the ability to save \$3,648 annually.

Mr. Kappel commented that the job description changes are subtle. The recruitment process will be different and it will be a good test to see if the city is competitive in its pay scale.

Moved by Ald. Maher, seconded by Ald. Meaux  
to recommend approval of the Operations and Engineering  
Department reorganization plan as presented - 5

Meeting adjourned at 8:10p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

mks