



CITY OF WAUWATOSA
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EMPLOYEE RELATIONS COMMITTEE MEETING

Tuesday, October 26, 2010

Council Chambers

PRESENT: Alds. Donegan, Ewerdt, Organ, Berdan – 4

ABSENT: Ald. Walsh

ALSO PRESENT: J. Archambo, City Admin.; B. Aldana, Asst. City Atty./HR Director;
M. Loy, Health and Prod. Coord.; Asst. Chief M. Anton, Fire Dept.;
Cpt. D. Weiss, Police Dept.

Ald. Donegan as Chair called the meeting to order at 7:20 p.m.

Ordinance amending Chapter 2.58.120 (B) (1) to add an increase in the cost sharing/premium amount paid by non-represented employees (for adoption)

The committee discussed the proposed 10% premium payment recommended for non-represented employees. In the case of Choice Plus single plan the monthly premium amount would be \$619.00 and the family plan amount would be \$1546.00. The HRA single plan premium is \$530.00 and the family plan premium is \$1,327.00 monthly.

Asst. Chief Anton spoke on behalf of the non-represented employees and expressed their desire to implement this policy after negotiations are settled with the unions to provide a more consistent level of benefits amount the groups.

Cpt. Dale Weiss asked if this proposal goes through and union contracts are negotiated with significant differences, will the non-represented employees have an opportunity to have this re-addressed. Mr. Archambo said it would be for wages or for compression issues. The negotiated agreements will have to be approved by this committee and they could suggest changes to the non-represented group if they deemed necessary.

Ms. Aldana reported that the issue of compression was addressed in the Carlson Dettman study done by the city which had a special section on police compression. She said this was addressed by putting higher grade classifications on some positions which have been bumped again since then. Ms. Aldana said that they checked with Charlie Carlson and he reported that it didn't seem like this would be a compression issue with the proposed health increase.

Mr. Archambo advised that the compression issue if it comes to light could be considered on a case by case basis. He said that the issue should be discussed at a time when more time could be offered to it. Cpt. Weiss felt this that compression already is a problem in the department and the insurance increase will compound this.

Moved by Ald. Ewerdt, seconded by Ald. Berdan
to recommend adoption of an ordinance amending
Chapter 2.58.120 (B) and (B) (1) to increase the

amount of sharing/premium paid by non-represented employees effective February 1, 2011 - Ayes: 4

Ordinance amending Chapter 2.58.120 (B) (3) elimination of the Choice health plan and adding Choice Plus health plan with HRA (for adoption)

Ms. Aldana reviewed the information of the HRA with the committee.

Moved by Ald. Ewerdt, seconded by Ald. Berdan to recommend adoption of an ordinance amending Chapter 2.58.120 (B) (3) elimination of the Choice health plan and adding Choice Plus health plan with HRA - Ayes: 4

Ordinance repealing and recreating Chapter 2.58.120 (B) pertaining to health insurance for retirees

Ms. Aldan said that this issue was previously discussed as to how the health insurance premium increase would affect retirees. There was a modification made from the last bargaining session that affected employees hired after 2008.

Asst. Chief Anton asked the committee to consider a different implementation date. He said he has talked with Ms. Aldana about this. He felt that a February 1st implementation date would be rushing things. He discussed how birthdates and anniversary dates after February 1st would affect age pension eligibility. He said that people have expressed this sudden and unexpected additional insurance cost needs to be planned for. He felt it would be a great consideration to extend the implementation date to give employees greater latitude in making decisions. He suggested allowing individuals who plan on retiring in 2011 and give advance notice that they be allowed to retire with the insurance rate being paid at this time. He felt that by doing this would also provide an advantage to the city to plan and be able to stagger retirements over a course of time instead of having numerous vacancies on or by February 1, 2011. He felt this could be somewhat disruptive.

Cpt. Weiss felt this is more of a fairness issue. He asked the committee to consider a December 31, 2011 implementation date. He said this would give long term dedicated employees time to decide what to do. Employees who would retire after February 2, 2011 would get stuck with the new premium due to age and retirement eligibility dates. He suggested that if employees retire the city would essentially be paying for two insurance policies, one for the retiree and one for the replacement. It would benefit the city for the employee to stay on instead of retiring just to keep the lower premium. This would also be a way of rewarding employees who have been with the city a long time.

Mr. Archambo said that the city would be working on a long term plan. He said they are looking at some kind of a graduated scale for retirees. He felt that a graduated scale could be set to mitigate this effect and would come back to committee with this information if the committee desires to do this. He noted that this is a value judgement and he was not without sympathy to the individuals that are within a year or two of retiring.

Ald. Organ didn't feel it would make fiscal sense forcing individuals to retire to keep their premiums down. She said that once they leave they are drawing down their pensions, their premiums will be paid and the city would lose their expertise. She said it is not sympathy to the individual employee but fiscal

responsibility as additional insurance would be paid for the individual replaced. She said the city could end up paying more if the new employee has more family members to insure.

Ald. Berdan said she would like to see a plan but noted no matter what date is set, it is going to be unfair to someone.

Asst. Chief Anton agreed with Cpt. Weiss's proposal not to extend this beyond 2011. In addition to fiscal responsibility as a group it would be an offer of enhancement to the non-represented group. In discussions of how to deal with the non-represented group it has been stated that the city is not opposed to looking at them on a little different plane and this would be an opportunity to do that.

Cpt. Weiss said that by extending the deadline it would show fairness to employees who have been here 25 or 30 years.

Moved by Ald. Ewerdt, seconded by Ald. Berdan
to hold this item for the graduated scale plan information –

Ald. Donegan said fiscal responsibility or not, if an individual is disturbed about paying \$160 or \$170 a month for insurance, they are not ready to retire. He said the city has to keep the context of the constituents in mind. Most of them can't consider retiring before becoming Medicare-eligible and if they do, they don't have access to medical insurance.

Ald. Ewerdt said he does understand this. He felt consideration should be made for individuals who have worked for the city over 25 years who are thinking about retirement down the road. These individuals have not forecasted this insurance increase and he puts that into the equation. Ald. Ewerdt said he doesn't have a problem giving them additional time due to anniversary or retirement dates.

Vote on the motion - Ayes: 4

The City Administrator said that realistically this information would not be available until December after the budget has been approved.

The meeting adjourned at 8:01 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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