



**CITY OF WAUWATOSA**  
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## **EMPLOYEE RELATIONS COMMITTEE MEETING**

Tuesday, February 22, 2011

Council Chambers

PRESENT: Alds. Donegan, Berdan, Walsh - 3

EXCUSED: Ald. Ewerdt, Organ

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

Ald. Donegan as Chair called the meeting to order at 6:32 p.m.

### **Status of state budget repair bill**

Mr. Archambo said that the information being presented is to outline provisions in Senate Bill 11 and if adopted how it will affect the City.

The City Attorney distributed the Senate Bill 11 analysis for review. He said the intent is to go through the bill for potential impacts. He said there are items included that people are not hearing about on the news and vice-versa.

The City Attorney briefed the committee on the three major provisions in the bill as it stands today.

### **COLLECTIVE BARGAINING**

Mr. Kesner noted that this is a bill to address both the employee and budget for the state as well as for the locals. The bill limits the right to collectively bargain for all employees who are not public safety employees (general employees) to the subject of base wages. In addition, unless a referendum authorizes a greater increase, any general employee who is part of a collective bargaining unit is limited to bargaining over a percentage of total base wages increase that is no greater than the percentage change in the consumer price index.

Mr. Kesner said that collective bargaining is the flash point of this bill. This bill for local employers essentially limits the topics available for collective bargaining and tries to exclude wage items like overtime. This is supposed to streamline negotiations and reduces contracts to one year. Union dues will no longer be deducted by the employer. It will have to be paid directly by the employee. The bill will also eliminate the requirement of fair share payments if someone chose not to be in the union. The bill does provide exclusions for fire, police and state troopers. Mr. Kesner said that the bill for protective employees provides very few changes.

The City Attorney said that the Assembly has between 50 – 100 amendments currently to the bill. The Senate is unable to act now as this item is a fiscal bill on a budgetary system and requires a quorum.

### **PUBLIC SECTOR RETIREMENT SYSTEMS**

The City Attorney said that this bill provides that the employees required contribution rate for general participating employees and for elected and executive participating employees must equal one-half of all

actuarially required contributions, as determined by the Employee Trust Funds Board. For protective occupation employees, the bill provides that the employee required contribution rate must equal the percentage of earnings paid by general participating employees. Mr. Kesner said that current law requires the employer to pay all of the employer required contributions, but permits the employer to also pay all or part of the employee required contributions. The bill provides that an employer may not pay any of the employee required contributions under the WRS.

Discussion ensued as to the intent of the bill regarding protective employees. Mr. Kesner felt the intent is not the same as the language whether the protective employee would pay half of his retirement or the same as the general employee. The language on this is unclear.

### **HEALTH INSURANCE**

Mr. Kesner explained that the health insurance language applies to state employees and does not include the City of Wauwatosa. This affects employees in cities that are participating in the state health insurance plan and Wauwatosa is not. Mr. Kesner said that this bill, by requiring contribution for all participants, will reduce the cost of that plan. In the future this could affect how the city addresses their insurance plan.

Ms. Aldana said that the city's insurance plan presently is about 20% less than the state plan. The city will have the continuing obligation to keep costs down so this will be continued to be reviewed.

Mr. Archambo said that in order to be in the state health plan, all employees have to be in it, similar to WRS. He said if the city's costs increase dramatically the cost could be comparable to the state insurance plan. Mr. Archambo answered a question from Ald. Donegan by saying if the state bill says employees pay 12.5% of their insurance, the city could mirror that. The changes in collective bargaining means the city doesn't have to bargain that. You cannot participate in the state insurance plan if the city intends to pay more than 88% of the cost.

The City Attorney advised that Senate Bill 11 requires that a civil service commission be implemented for all employees. The City currently has a civil service commission although changes and additions will be necessary to our commission rules. Specific items including discipline, grievances, and work place safety have to be within the jurisdiction of civil service appeals. The city's current civil service plan has been around since the 1930's. This does not cover disciplinary appeals or workplace safety and those changes will have to be made.

Regarding the salary issue, Mr. Kesner said that the bill stipulates salaries cannot be increased more than the consumer price index. If the city wanted more than the CPI there would have to be a referendum which would apply to all represented employees. Mr. Kesner said this probably does not apply to the police and fire unions, just general employees.

Mr. Kesner reminded the committee that the meeting tonight is for information purposes only. This is not for a negotiation strategy for upcoming negotiations. The bill may change strategy for negotiations. The union will be only allowed to bargain for base wages. Overtime, premium or merit pay may be handled the way the non-represented employees are. Mr. Archambo said overtime in general would occur after working forty hours. Most collective bargaining contracts allows for overtime after working eight hours in a single day.

The committee discussed the step increases in the current contracts and how the bill would affect these. Discussion ensued and the language appears unclear. Ms. Aldana questioned how you would bargain base wages when there is nothing else on the table.

Several questions were asked by the aldermen and some of the answers are unclear as to what the bill says versus the bill's intent. The state health plan was discussed and questioned if the retirees would be paying the same amounts. The date that employees (except police and fire) will be paying their retirement portion was discussed and an April 1<sup>st</sup> date was mentioned, but that also is unclear. Ms. Aldana advised that the 911 dispatcher union has a unique contract and that needs to be looked at whether that would affect their implementation date.

Mr. Archambo said that there will be cuts to the state shared revenue for 2012 as well as other state revenue received. He estimated that the city could lose approximately \$900,000 in state shared revenue alone. Mr. Archambo said that the bill as it stands for employee retirement contributions would amount to approximately \$750,000.00 annually.

Ald. Donegan asked the City Administrator if it is his intent to not bring the Firefighter's union contract forward for a council vote. Mr. Archambo noted that the current bill constitutes what would be a significant change for which a decision on the contract should be held off. He said that not only the significant change would meet good faith, but it would be his fiduciary responsibility to hold off on a vote.

Hank Wendt, Firefighter Local 1923, thanked the committee for the opportunity to listen to the discussion. Mr. Wendt felt that the committee and common council must move forward with the ratification agreement which was recommended for approval by the City Administrator and also by this committee. He felt that this needs to be revisited and action needs to be taken on this contract.

Mr. Wendt said by the motion made at council on February 15 by wrapping the repair bill around the firefighter agreement (to hold the item for a future meeting pending action in the repair bill) and with the discussion held here this evening, he felt it could be a way of tip-toeing around unfair labor practices and he asked that the agreement approved by this committee get acted on.

The meeting adjourned at 7:35 p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

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