



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

October 23, 2009

To the Honorable
The Committee on Finance and Personnel
Common Council
City of Milwaukee

Dear Committee Members: Re: Common Council File Number 090772

- Analysis -

This report recommends adoption of a wage and benefit package for nonmanagement/nonrepresented employees for 2007-2009 and 2010 - 2011.

This report recommends a wage and benefit package for nonmanagement/nonrepresented City employees for the years 2007 – 2009 and 2010 - 2011. These recommendations are comparable to wage and benefit changes approved for employees represented by District Council 48, AFSCME-AFL-CIO.

Base Salary, 2007 – 2009

Effective Pay Period 1, 2007, a 2.0% across the board wage increase over Pay Period 26, 2006 wage rates. (See attached 2007 Salary Ordinance amendments for rates)

Effective Pay Period 1, 2008, a 1.0% across the board wage increase over Pay Period 26, 2007 wage rates. (See attached 2008 Salary Ordinance amendments for rates)

Effective Pay Period 14, 2008, a 1.0% across the board wage increase over Pay Period 13, 2008 wage rates. (See attached 2008 Salary Ordinance amendments for rates)

Effective Pay Period 1, 2009, a 1.0% across the board wage increase over Pay Period 26, 2008 wage rates. (See attached 2009 Salary Ordinance amendments for rates)

Effective Pay Period 14, 2009, a 1.0% across the board wage increase over Pay Period 13, 2009 wage rates. (See attached 2009 Salary Ordinance amendments for rates)

Base Salary, 2010 – 2011

From Pay Period 1, 2010 through Pay Period 26, 2011, the biweekly base salary paid to employees shall be those rates which became effective Pay Period 14, 2009.

Effective Pay Period 1, 2010 through Pay Period 26, 2011 there shall be no pay step advancement.

Benefit Changes

See attached summaries of Wage and Benefit Changes for nonmanagement/nonrepresented employees.

We recommend approval of the attached salary and benefit package.

Sincerely,



MARIA MONTEAGUDO
Employee Relations Director

MM:fcw

Attachments: 2007- 2009 Salary Ordinance Changes
2007 – 2009 Wage and Benefit Changes
2010 – 2011 Wage and Benefit Changes
Fiscal Note

**Summary of Wage and Benefit Changes
Nonmanagement/Nonrepresented Employees
2007 - 2009
CC#090772**

1. Base Salary

Effective Pay Period 1, 2007, 2.0% across the board wage increase over Pay Period 26, 2006 wage rates.

Effective Pay Period 1, 2008, 1.0% across the board wage increase over Pay Period 26, 2007 wage rates.

Effective Pay Period 14, 2008, 1.0% across the board wage increase over Pay Period 13, 2008 wage rates.

Effective Pay Period 1, 2009, 1.0% across the board wage increase over Pay Period 26, 2008 wage rates.

Effective Pay Period 14, 2009, 1.0% across the board wage increase over Pay Period 13, 2009 wage rates.

2. Direct Deposit of Checks

All employees who are capable of maintaining a financial relationship with a banking institution shall participate in direct deposit of pay checks.

3. Health Insurance (for those employees who are eligible)

- a. Basic Plan: Effective the first full calendar month following implementation of a Health Risk Assessment (HRA), including basic biometrics and a blood draw, but not sooner than January 1, 2009, the monthly employee contribution will increase to \$85 single/\$170 family. The monthly employee contribution shall increase \$20 per month for each adult (maximum of two, not including dependent children) who does not participate fully in the HRA. For employees with single coverage and for employees and their spouse (if applicable) with family coverage who fully participate in the HRA and who do not smoke (as determined by the HRA), the monthly contribution shall be \$75 per month for single coverage and \$150 per month for family coverage.
- b. HMO: Effective October 1, 2009, there will be an office visit co-payment of \$10 (waived for preventive care and disease management visits) and an emergency room co-payment increase to \$50 (from \$25). There will also be a 3-tier drug card with co-payments of \$5/\$17/\$25. Specific over-the-counter drugs identified by the Prescription Benefits Manager shall be covered at \$5. A 90-day mail order supply shall be available for a 60-day co-payment. Effective October 1, 2009, the monthly employee contribution will be \$20 single/\$40 family. Employees selecting a higher cost plan (if applicable) will

pay \$20/\$40 plus the difference between lowest cost plan and the plan selected. Effective the first full calendar month following implementation of a Health Risk Assessment (HRA) including basic biometrics and a blood draw, but not sooner than January 1, 2009, the monthly employee contribution will increase to \$30 single/\$60 family. The monthly employee contribution shall increase \$20 per month for each adult (maximum of two, not including dependent children) who does not participate fully in the HRA. For employees with single coverage and for employees and their spouse (if applicable) with family coverage who fully participate in the HRA and who do not smoke (as determined by the HRA), the monthly contribution shall remain at or be reduced to \$20 single/\$40 family.

- c. Wellness and Prevention Program and Committee shall be established to promote wellness and prevention of illness among employees and their families. The City agrees that no other Union except DC 48 and MPA may have more than one voting member on the committee. The City shall not spend more than two million dollars, annually, Citywide, including the cost of conducting the HRA, on the Wellness and Prevention Program.
- d. For a limited benefit employee in active service, or who retires, or receives a duty disability retirement allowance during 2007 - 2009 or an employee in a City Laborer (Seasonal) position, effective the first full calendar month following implementation of the annual HRA but not sooner than January 1, 2009, in addition to the employee contribution of \$75 single/\$150 family for the Basic Plan and \$20 single/\$40 family for the HMO for active employees, such employees shall also contribute the amount toward meeting the subscriber cost in the Plan elected which is \$388.86 single/\$885.88 family for the Basic Plan and \$162.08 single/\$714.01 family for the HMO.

4. Automobile Allowance:

- a. Effective October 1, 2009, the City shall reimburse an employee in active service, who is required as a condition of employment to have a private automobile available for use on City business, a base amount of seventy-five dollars (\$75) per month or payment for each mile driven on official City business during that month at the IRS standard mileage rate per mile, whichever is greater. (On 01/01/09, the IRS standard mileage rate is \$0.55 cents per mile) Employees who as of October 1, 2009 are receiving a base rate greater than seventy-five dollars (\$75) per month shall be "grandfathered" to the greater base rate, as long as they hold their current position.
- b. In order to receive reimbursement, an eligible employee shall submit a record of mileage incurred on City business during the month and attest to the accuracy of such mileage on a form approved by the Comptroller. All private automobile reimbursement payments to employees exceeding 1,000 miles

monthly shall be concurred by the Finance and Personnel Committee before payment is made.

- c. Effective October 1, 2009 reimbursement forms shall be submitted on a monthly basis on or before the last workday of the following month. An employee who is required to have a private automobile available for use on City business shall have at least the minimum insurance coverage prescribed by state law and shall have declared the use of his/her automobile on city business to his insurance company to protect the City's interests. It shall be the responsibility of the department head to see that the employee is adequately covered by such insurance before he/she approves the use of a private vehicle on City business and reimbursement for such use.

5. Overtime:

- a. Effective as soon as administratively practicable, in a pay period that a full-time employee is paid for less than eighty (80) non-overtime hours but is also paid for overtime hours in lieu of the regular non-overtime hours because his or her work schedule was not "Arranged in Advance" during that pay period, in addition to reporting the hours worked at the straight time rates of pay to the ERS, the City shall report the overtime hours worked at the straight time rates of pay to the ERS up to a combined maximum of 80 reported hours worked at the straight time rates of pay during the pay period; or
- b. In a pay period that a full-time employee is paid for less than eighty (80) non-overtime hours because they worked and were paid for snow overtime during that pay period, in addition to reporting the hours worked at the straight time rates of pay to the ERS, the City shall report the overtime hours worked at the straight time rates of pay to the ERS up to a combined maximum of 80 reported hours worked at the straight time rates of pay during the pay period.
- c. "Arranged in Advance" is defined as notifying an affected employee of a change in their work schedule not less than 48 hours before the start of the changed shift, and not later than quitting time of the last regular shift preceding the scheduled change.

**Summary of Wage and Benefit Changes
Nonmanagement/Nonrepresented Employees
2010-2011
CC#090772**

1. Base Salary:

- a. From Pay Period 1, 2010 through Pay Period 26, 2011, the biweekly base salary paid to employees shall be those rates which became effective Pay Period 14, 2009.
- b. Effective Pay Period 1, 2010 through Pay Period 26, 2011 there shall be no pay step advancement.

2. Furloughs:

- a. There shall be no more than four furlough days during calendar year 2010 and no more than four furlough days during calendar year 2011.
- b. The policies set as set forth in the Department of Employee Relations Mandatory Furlough and Administrative Guidelines policy dated June 19, 2009 regarding benefits during furlough days shall apply in calendar years 2010 and 2011.

CITY OF MILWAUKEE FISCAL NOTE

A) Date: October 27, 2009

File Number: 090772
Orig Fiscal Note Substitute

Subject: Resolution approving wage and benefit changes for non-management/non-represented employees

B) Submitted By (name/title/dept/ext.): Sarah Trotter/Human Resources Representative/Dept of Employee Relations/ 2398

C) Check One: Adoption of this file authorizes expenditures
 Adoption of this file does not authorize expenditures; further Common Council action needed. List anticipated costs in Section G below.
 Not applicable / no fiscal impact.

D) Charge to: Departmental Account (DA) Contingent Fund (CF)
 Capital Projects Fund (CPF) Special Purpose Accounts (SPA)
 Perm. Improvement Funds (PIF) Grant & Aid Accounts (G & AA)
 Other (Specify)

E) Purpose	Specify Type/Use	Account	Expenditure	Revenue	Savings
Salaries/Wages:			\$613,099		
Pensions:			71,859		
Health Ins:					\$12,393
Life Ins:			1,938		
Equip Repair:					
Other: Auto			619		
Totals			\$705,515		\$12,393

F) For expenditures and revenues which will occur on an **annual** basis over several years check the appropriate box below and then list each item and dollar amount **separately**.

<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	

G) List any anticipated future costs this project will require for completion:
 Costs of \$416,518 and savings of \$49,573 will recur on an annual basis ('07, '08, and '09 repeats).

H) Computations used in arriving at fiscal estimate:
 Current staffing and prior experience

Please list any comments on reverse side or attachment and check here (See attached)