

SRCEA/MANAGEMENT Interest Based Negotiations (IBN) 2004
Session Thirteen – June 4, 2004

NOTE: THIS IS AN INFORMATION DISSEMINATION TOOL ONLY. THERE IS NO MECHANISM TO RESPOND THROUGH THIS MAILBOX. SRCEA MEMBERS AND AFFECTED MANAGERS ARE ENCOURAGED TO REFER QUESTIONS AND COMMENTS TO THEIR RESPECTIVE IBN REPRESENTATIVES.

ATTENDANCE:

Lorrie Abbott, Tony Alvernaz, Shirley Braddy, Donna Crowley, Pam Edwards, Fran Elm, Colleen Ferguson, David Hanson, Bob Harder, Diane Lesko, Ricia Maxie, Bette Smith, and John Sorensen

CHECK IN - (an exercise that encourages participation by asking each meeting participant a series of questions)

CITY COUNCIL CLOSED SESSION REPORT

Fran reported on her follow-up discussions with City Council members on May 25th and June 1st regarding the SRCEA cost proposal that was presented to them on May 18, 2004. Council members had requested more information regarding the history of the cost of health care. SRCEA representatives have expressed an interest in obtaining relief for the 3% at 60 debt which increases to a 4.92% payroll deduction on July 1, 2004. City Council expressed a definite interest in having SRCEA employees participate in the rising health care costs in exchange for some relief toward the 3% at 60 obligation. The IBN team discussed how a cost proposal could meet those opposing interests. That discussion will continue at the next meeting.

LAYOFF PROCEDURE

The group reached agreement regarding the language in the draft *Layoff Procedure*. Fran will circulate that language to management for one last look. The final version will be circulated to employees after the next meeting.

ONE TIME SELECTION OF VISION & DENTAL INSURANCE FOR PERMANENT PART-TIME EMPLOYEES

Lynne Margolies, Risk Manager, met with the group to discuss this issue. She indicated that the City could hold a special open enrollment in November for all employees to opt into vision and dental insurance if they have not already done so. The benefit coverage would begin on January 1, 2005.

The City would also like to create a three tier rate schedule for dental benefits. Currently, a composite rate of \$117.16 is used for all employees. The three tier rates

would be as follows:

| | |
|--------|----------|
| Single | \$52.18 |
| Double | \$84.60 |
| Family | \$126.26 |

The City's costs for dental care have not gone up for several years. The above rates would reflect the same cost to the City as the composite rate. The changed cost structure would only impact permanent part-time employees who pay a percent of their health care costs depending upon their full time equivalent and employees extending coverage under COBRA. Obviously, single and double coverage would be considerably less expensive. A 50% FTE employee with family coverage would pay \$4.55 more each month and a 75% FTE employee would pay \$2.28 more each month.

The group hopes to agree on final language at the next meeting.

PART TIME EMPLOYEE BENEFITS BASED UPON ACTUAL HOURS WORKED

The group discussed the report which shows how many part time employees work hours in excess of their specified full time equivalency. Seven City employees worked in excess of 10% more than their stated FTE. Those employees were all in the Community Development and Recreation and Parks Departments. Fran will contact managers in those departments to discuss solutions for getting the work done while addressing the concerns of permanent part-time employees.

9/80 WORK SCHEDULE

SRCEA representatives presented additional information regarding 9/80 work schedules. The Department of Labor's Division of Hours and Wages has FLSA oversight. SRCEA has been in contact with this agency and has asked for an assessment of the proposed 9/80 schedule to determine if it violates FLSA regulations concerning overtime and the definition of the 40 hour "work week." That information should be available at our next meeting.

Management representatives reminded SRCEA that changing work schedules is a City right. Therefore, if the proposed 9/80 work schedule is found to comply with FLSA regulations, it would then need to be approved by City management.

NEXT AGENDA

The next IBN team meeting will be held on Friday, June 11, 2004. The proposed agenda includes the following:

- Check-in
- One Time Selection of Vision & Dental Insurance for Permanent Part-Time Employees
- Cost Proposals
- 9/80 Work Schedule
- Additional Floating holiday
- Increase maximum vacation accumulation
- Maintenance of Benefits
- COLA Formula
- COLA Increase
- Parity with other units
- Term of Agreement
- Vacation Buyback
- Mandatory Time Off/Furloughs in Lieu of Layoffs
- Contract Retroactivity
- Check-Out
- Communique

CALENDAR OF FUTURE CONTRACT ISSUES

The updated calendar is as follows:

June 18, 2004

- Contracting Out
- Retiree Health Care Stipend
- Flexible Spending Account for Medical Expenses
- Incorporate Side Letters and Amendments
- Develop Contract Language