

Employee Advisory Committee (EAC)

Meeting Minutes

March 8, 2016

Mayor's Conference Room @ 9:00 a.m.

APPROVED

The meeting was called to order by Franco @ 9:00 a.m.

I. ROLL CALL

MEMBERS PRESENT:

Judy Franco – GIS
@ 9:07a.m. Jorge Stephan Kidd – Building Maintenance
Sir Allen (Chew) – Wastewater Collection
Scott Golden – MPWTP

Ashley Glaze-Lyle – License & Permits
Albert Ozuna – Streets
Denise Ezell – City Clerk
David Rolando – Solid Waste Collection

OTHERS PRESENT:

Tim Wilson – City Attorney
Doug Wells – Council Member

Chase Massie – HR Director
Courteney Cacho - City Manager's Office

2. MINUTES

A) Approval of minutes for February 9th

Motion to approve minutes by Denise Ezell with a second by Sir Allen Ayes: Franco, Ozuna, Ezell, Glaze-Lyle, Allen, Rolando, Golden Nays: None Motion carried.

3. OLD BUSINESS

A) Health Plan Review Report

Massie said we have a (10%) ten percent increase on the premiums and employees will see that on their March (18th) eighteenth check. For Employee-Only it was (\$4) four dollars and some change per pay period which is the difference. We know there was some confusion in the past about the (3%) three percent COLA, a raise, and now a (10%) percent premium increase, so the City is really taking (7%) seven percent from us. We'd tried instead of (10%) ten percent out there but to actually put the numbers out there, what the change would be. He thinks that'll help because his office had a lot less questions. Hopefully that stops the bleeding of the health fund. The health fund was negative (800,000) eight hundred thousand and we are continuing to look at that. We've got plan changes coming effective July (1st) first. We expect this would at least get us to July (1st) first so those plan changes can go into effect and really get healthy with our health plan. We also have some Wellness stuff coming up that he's pretty excited about. We sent out an email late yesterday afternoon about us having a registered dietitian. March is Nutrition Awareness Month and she'll be here on the (18th) eighteenth of March. She will be cooking breakfast in the Banquet Hall and then letting everyone sample it. The Dietitian will basically make a normal breakfast and show our employees some things she can exchange to make it healthier. We will then bring her back at a later date and she will be cooking dinner. The Dietitian will also be doing some demos on sugar and calorie intake. We are going to do an employee healthy options cookbook. We are going to look at potentially selling it and that would be our Wellness budget for the next fiscal year.

Golden asked if the plan changes Massie is talking about in July, is that when the deductible and co-pay increase, everything increases.

Massie answered yes.

Golden said one question he had brought up to him because certain people have gotten emails on insurance exchange. Golden asked what is going on with that.

Massie answered he thinks that Councilman Wells brought that up. We have what is called an insurance exchange and that's the Affordable Care Act or Obama Care. Basically for people who do not have jobs, one of the requirements now is everyone has to have health insurance. So, if you don't have health insurance, when you go and file your taxes you'll get penalized. They have this exchange out there and the purpose is to subsidize those citizens who don't have an income to help pay for their health insurance. It's also possible with employees who don't make a high income to get subsidy as well. What he thinks that Councilman Wells was encouraging those to look who don't have a very high income.

Golden said or there is only one person working in a household and they're carrying the spouse and kids. So, it could be cheaper. After the last meeting he did some calling and the guy wouldn't even tell him what his options were because it might upset him compared to what he receives now from the City. It affects certain people.

Massie said he wanted to stress for any of those who are looking realizes there's a bronze, silver, gold, and platinum plan. The City of Lawton is a platinum plan and it's as good as you can get. They may see something that's cheaper but the plan isn't going to be close. They may get it but has

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a (\$2500) twenty-five hundred dollar deductible. As people do research it they need to make sure that they are comparing apples to apples.

Wells said that was not a comment intended for everybody to rush out and buy healthcare off the exchange. Depending on your income and your family look at healthcare.gov and put in the numbers. Although it's for lower income, lower income is classified as a husband, wife, and a couple of kids, that's making (\$40) forty or (\$50,000) fifty thousand dollars a year. You need to look and think about your family situation.

Massie said the last thing he would like to mention is they have to have a qualifying event in order to do this open enrollment such as marriage, divorce, birth, death, gain and/or loss of employment. Other than that you can only make changes to your insurance during open enrollment which ours will be the first (2) two week in May.

Golden said this is just a lot of feed back off of the health insurance especially from employees who have invested their time and made working for the City a career. The employees look at it as if they took a government job which they accepted not because of the pay but the benefits. That's why anybody takes a government job because even if your pay isn't up there at leave you're being taken care of. We want to feel like the City is doing everything in its power not only to keep but to take care of their employees. Other employees have come to him expressing that they are upset, even though they don't know the whole explanation of things; they know that they took a City job because they have good benefits.

Massie said he would say as representatives, if you have employee groups that you would like him to talk to because a big piece of this education and getting our employees to understand that it's tough. All you have to do is look at our health fund and see that we are negative (800,000) eight hundred thousand. That's horrible and very scary to have.

Ozuna said this isn't just a City of Lawton issue, it's going up everywhere.

Massie said one of the things that we could talk about which we've talked about in the Health Committee meeting; our insurance representative, NFP, did a comparison for us with the entire municipalities in the state. We are above average in the state in every category; premium costs, deductibles, out-of-pockets. Everything that we look at is as good as it gets and he thinks it opened a lot of eyes at our Health Committee. He would love to come and talk to the guys, just let him know when. It's not going to go away. Where he sees the City had gotten behind the (8) eight ball, the City didn't have any plan changes for (5) five or (6) six years. A good plan needs to be adjusted yearly; if you're doing it yearly maybe a (\$100) hundred dollars to the deductible or out-of-pocket max. Maybe it's not really a change you would really notice, something on the back end. The City needs to be examining and adjusting on a yearly basis and the City just didn't do that. Now we have to make these changes. On the premiums, he knows it seems like we're having premium changes every time you turn around; we had one in September (14th) fourteenth was a (10%) ten percent premium change, June of (15) fifteen and now one in (16) sixteen. If you look at a calendar year, we've had one every year. Hopefully we can forecast and get a long range plan where whenever the next happens next year maybe it's (3%) three percent or a much smaller number. We are starting to get the plan where it needs to be. The other thing that we have done is our new insurance representatives and we've met with Comanche County Memorial Hospital, about a week ago, we are going to look to team with them. Try to find deeper discounts where we can send something out like if you can go to CCMH and you're going to get an even bigger discount than anywhere else because that's one of our local hospitals. Eventually we may reach out to Southwestern and do the same. One of things we're going to look at is where our utilizations. Almost (50%) fifty percent of our utilization for our employees is at CCMH. It's us saying to them that we are send our employees to your hospital so what are you going to do for us. We are a major employer in this town, how are they going to help us. So, it's finding bigger discounts or its maybe if you go to an Urgent Care that is owned by CCMH, you'll get bumped to the front of the line. Try to get some of these things to try and make a difference without actually affecting our pocketbook.

Rolando asked if we hired a broker.

Massie answered yes, that's NFP.

Wells said from a councilman stand point, we appreciate every one of you and we wish we could do more but there's not enough money.

Golden asked if there was a tiered program.

Wells asked if the Committee has anyone been here over (10) ten or (15) fifteen years. Some of you remember when we didn't pay anything for health insurance for the employee. That started in the early (2000) two thousands and the dependent was very cheap. Then we had to start adding money into it. It's tough.

Massie said he wants to stress that if the Committee has employee groups he would like to sit down and talk to them because it's about educating them. He keeps track of what the states and municipalities are doing. Even Cameron University is doing layoffs right now. So, it's the state, the oil industry, it's across the board. Insurance is not going away but at the same time budgets are getting cut and every employee has to make tough decisions. Our insurance is really good even with the changes we are making we are still at the top of municipalities. Even the ones who are going to a (\$1000) thousand dollar deductible, we are still at the top (5%) five percent out of all cities in the state.

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Rolando asked on the free yearly checkup, do you still pay the deductible on that.

Massie answered he would need to see the exam type because there are certain exams that are free.

Rolando asked what about yearly blood work.

Massie answered you are going to pay most likely your co-pay which is (\$20) twenty dollars. He would need to see what type of exam.

Rolando said that came up because people have wanted to do their yearly exam, which he guesses its blood work that they do every year but if they have a (\$1000) thousand dollar deductible the employee thinks this free exam will cost them (\$1000) thousand dollars.

Massie said no, diagnostics is covered (100%) one hundred percent. So, if you do lab work right now the plan will cover it and isn't charged toward your deductible.

4. NEW BUSINESS

A) EAC Ordinance

Tim Wilson, City Attorney, passed out a copy of the revisions to EAC Ordinance. Wilson said going through the Ordinance he added on to section (201) two hundred one and added a paragraph 'B' that says:

“Effective October 1, 2016, the employee advisory committee in existence immediately prior to this date shall be dissolved and a new employee advisory committee shall be created pursuant to provisions set forth in Division 17-2-9 of Lawton City Code.”

Wilson said just like last time there was talk of having elections all on October (1st) first and starting everything fresh. So in order to do that we'll need to dissolve this one, then everyone will go into new groups, and have new elections. If you all want to run then you can go ahead and run. Then on section (202) two hundred two, the membership, the EAC wants to change the membership from a being Professional, Secretarial, Labor/Trades, so, we have the groups.

“A. One member, as provided hereafter, shall be elected to represent the following employee groups based on division:”

But looking through the budget he saw a few groups who looked like they weren't in there or maybe they are being rearranged. There's was Parks and Rec Admin, Park Maintenance, Retired Senior Volunteer Program, Community Development Admin, and then Auditing. He plugged them in. Auditing he put in Group (1) one because it is in this building and the others he mentioned he put in Group (4) four. He added a provision in paragraph 'B' on section (202) two hundred two because things change each time we do the budget. He put in a section that says:

“B. Any city division with employees eligible to be represented by the employee advisory committee that is not listed in any of the EAC Groups in Paragraph A shall be represented by EAC Group (#5) number five.”

They would just automatically fall under Group (5) five. In the future we'll create a new division or change something and this list gets different until we can update the list they'll just automatically fall under that Group. Group (5) five is the smallest group, he looked in the budget and if he did his math right it had to have been like (42) forty-two employees. Then on section (208) two hundred eight on the next page, for the new EAC that goes online in October, the Committee indicated that you wanted staggered terms and you didn't want everyone coming up with the same year for elections. So, Group (1) one, Group (3) three, Group (5) five, etcetera, they'll serve for (1) one year initially and they'll have another election again in October (2017) two thousand seventeen. Then after that it'll be (2) two years. Then Groups (2) two, (4) four, and (6) six, etcetera, they'll serve from (2016) two thousand sixteen to (2018) two thousand eighteen and then you will have everybody on different years like the EAC Committee indicated that you wanted. The only thing that he didn't do but wanted to bring it to the EAC's attention, there was talk about if your group has more that (60) sixty employees they'll get (2) two members. He went through the budget and he knows there might be more positions in the budget than employees actually working right now due to the hiring freeze. Looking at the budget he took into account full and part time. (1) One group has (79) seventy-nine, that's Group (2) two which is according to the budget, Group (3) three has (74) seventy-four full and part time, Group (6) six and (7) seven has (61) sixty-one full and part time, Group (8) eight is (50) fifty. His point is the EAC has several groups that are already over, at least on budget, (60) sixty positions and in order to do that you'd have to have (4) four more people sitting at your table. Wilson asked what happens if you take positions away a budget year and someone falls below (60) sixty, the (2) two people representing them do they quit serving and if so which one. He didn't know how to work that in his mind. Wilson asked instead of doing that, what would the Committee think if we did an 'At Large' position. So we have (10) ten groups with (1) one representative and then we'll have an 'At Large', that anybody can vote for which gives the Committee (11) eleven people. There would never be a tie because you have (11) eleven, which was his thought.

Ozuna answered that was a good idea.

Ezell asked when it comes down to vote, she would vote for her group and possibly an 'At Large' position.

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Wilson answered yes. If that's something the Committee wanted to do he could work on that.

Franco said yes.

Wilson said he would make that change to what he had been working on and get back to the Committee. We'll just add an 'At Large' position that would represent basically anybody.

Allen asked a person 'At Large', how it would fit on the voting scale.

Wilson answered we would put them as (#11) number eleven and they would serve until October (3rd) third of (2017) twenty seventeen.

Allen asked would they vote again.

Wilson answered yes. We still have plenty of time and it won't go into effect until October so we are well on track.

B) 17-1-6-162 Holidays

Franco said this was brought up by Golden, basically a rewrite. He's gotten with Massie and Peters (Payroll Clerk) about this.

Golden said yes and Hadley (Assistant City Manager – Operations).

Franco said about making that change and Peters said to make it instead of them getting (48) forty-eight hours they would just get their (40) forty so they wouldn't have to use their vacation.

Golden said they could use a type code instead of writing it in and getting paid (48) forty-eight, basically taking the double time. You can transform that (8) eight hours that you are going to use as time off. You'll still get the day off but Peters is going to make it where it pulls from that holiday account. It'll be taxed like holiday pay but you would make it as part of your (40) forty hours. For example, if you want to take a regular day off and use (8) eight hours of vacation. You'll write in (32) thirty-two hours worked, put in your type code for (8) eight hours, and it would charge as a day off instead of getting paid double time that day.

Franco asked if that would be on our next Chapter (17) seventeen recommendation for May.

Golden answered yes because right now it's won't affect anything due to the way that they pay it. The only time it doesn't work is for Memorial Day because it gets paid out early. They already write them the check before that holiday. So, what's left in that account you'll get that (8) eight hours or if you banked it throughout the year. For the next year, they will be able to do that.

Franco asked what Peters says about Memorial Day.

Golden answered that you would have to work or use vacation.

Massie asked Golden he didn't think anything needed to be changed in Chapter (17) seventeen, he thought it was a procedural change.

Golden answered yes.

Franco said on that one, Peters and she looked it up, 'C' (1) one and that says "*in lieu of overtime shall receive a holiday credit*". She thinks that's a change right there. Peters is sending it to Wilson to see if we have to reword it.

Massie said he'll just wait and see what they say.

C) Selection for EAC Representative Technical

Franco said we had one sign up and asked him to show up, Hubbard, but he is on vacation.

Motion to elect Britt Hubbard as EAC Representative Technical by Judy Franco with a second by Scott Golden Ayes: Franco, Ozuna, Ezell, Glaze-Lyle, Allen, Rolando, Golden, Kidd Nays: None Motion carried.

D) Education Assistance

Franco said she knows it was discussed in the last meeting that Massie was going to reword it.

Massie passed out 17-1-4-143 Education Incentive Program Policy. Massie said what we are looking at doing is attempt to budget in money so general employees could get education assistance starting July (1) one of the next fiscal year. Really this is just some language change in the Chapter (17) seventeen code not only to allow this but to also help us with fire and police. Right now what we are running into is we have a

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budgeted amount and there's really no rule on how that budgeted amount is used. You can have one from fire and one from police using it all. Then when you're half way through the year one employee uses everything and you're still going. What this does is (3) three main things; (1st) first, it puts a limit. The way that it works is when you get your grades, you'll need to turn those grades in, HR figures out what the reimbursements going to be, have them sign a claims form and then we cut them a check. What we had this year, we had an employee come in from a previous fiscal year. They had done everything; they applied for it but never turned it in. While we were in the next fiscal year all of a sudden we had to take into account and now we have to pay them. This puts a (30) thirty day limit, so, once you get your grades you have (30) thirty days to turn in all of your paperwork and get reimbursed. (2nd) Second, any employee who received educational assistance from the City must maintain employment a minimum of (3) three years following the receipt of assistance and if not they will have to pay that back. If the City is going to invest money in fire, general, or police, we would want you to use that new skill/knowledge for the City. (3rd) Third is all applications for assistance will be processed by first come first serve basis. The plan is to budget a certain amount for fire, general, and police. None of the groups can come and take someone else's money because that money will be budgeted. If we get to a point in the year that we've exceeded that amount or get to that amount then it will be frozen for the rest of that fiscal year until the next. This way we can budget a certain amount, we can go to finance and tell them what we need and start allowing general to use this benefit and allow them July (1st) first to start turning in classes for educational assistance. Again, this language helps with both fire and police side.

Golden asked if this was for any community college, university, and does it cover vocational school.

Massie answered yes, it does. The way that we do it on the educational side, we use Cameron, OU, and OSU. We get the average of the class cost. That's what we use for reimbursement. If you choose to go to the most expensive university in the state either a private university in Oklahoma City or something, then you are not going to get as much as you would if you enrolled in a public state university. Maybe you're in a program that it's only offered at a certain place and again online courses will be more expensive than in person. So, all things need to be considered but it's all written clearly in this policy. His intend is to get this going again. His plan is to have this language changed at the next Council meeting on the (22nd) twenty-second. We are also in negotiations with police with the same language changes in the proposal.

Golden asked as far as the reimbursement, does it cover a certain degree or classes for a specific degree. Golden asked if someone is just starting out and has to take basic classes/courses, would it cover those as well.

Massie answered as long as its classes that is in your degree program.

Golden said because you have your prerequisites.

Massie said absolutely if it's classes within your degree that will help the City. As long as you can show that it's working toward your degree program.

Wells said it takes about (128) one hundred twenty-eight hours to graduate from Cameron. About (60) sixty of those hours are prerequisites and it will cover any of those going towards your degree.

Motion to approve the language change to the Education Assistance Policy by Denise Ezell with a second by David Rolando

Ayes: Franco, Ozuna, Ezell, Glaze-Lyle, Allen, Rolando, Golden, Kidd Nays: None Motion carried.

3. COMMUNICATION/DISCUSSION

* Wells asked how many within the Committee shopped online this year. That's tax dollars out of our Sales Tax. He brought that up at the City Council Meeting because we lost over (\$1,000,000) one million dollars this year in Sales Tax because of online shopping. Our Sales Tax revenue is actually down. If we raise water rates by (\$10) ten dollars and then save (\$4) four dollars on your insurance premiums you'll still be paying (\$10) ten dollars extra on water. You can only raise those so much. The average used to be (8,000) eight thousand gallons a month which now is a (\$90) ninety dollar water bill. Wells asked how high we can go.

Golden said he is on rural water and with rural water we have a set rate we have to stay into that is charged between so many (1000) thousands of gallons. Once you go over that it gets charged to a different bracket especially if you're in a drought situation.

Wells said we do have it where it goes up depending on what step we are in the drought. It actually gets up to where it's (\$16) sixteen dollars per (1000) thousand, very expensive. You just can't live off of the water revenue. Wells asked how much water is going to be treated and used. We are teaching people how to conserve which you have to remember when this is over with they are going to continue to conserve and that's exactly what's happening.

Rolando said they like that savings.

Wells said he did something that went against what the EAC Committee voted on, he said he would support what the Committee voted on. That was the year in between step 'A' and 'B'. He just couldn't support that one. Police and fire went to one step in between. Fire did it by starting out at step 'B'. They actually got a raise in (6) six months by starting at step 'B'. Police Department got a (\$5,000) five thousand dollar

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pay raise for starting out. If you give general employees starting out at step 'B' he'll support it but he doesn't want general employees hurt anymore than they have been in the past. We have the same amount of income when he got on Council, (7) seven years ago, they heard him talk about why we were raising the budget. We don't have any more money. Past manager's kept raising the budget. This year we'll be lucky to bring in (68,000,000) sixty-eight million. Thank the city manger, his staff, and HR for giving you all (3%) three percent, that was a wonderful thing to do. Love to give you more but there's just not enough money.

* Massie said he has an update on The Service Awards/Retirement Banquet it will be April (21st) twenty-first and you'll see the announcement via email in about (2) two weeks. To refresh everyone's memory, the City is going to host a Service Awards/Retirement Banquet, it will be on a Thursday night, and it'll probably be from (6p.m.) six to (8p.m.) eight. We will honor our Service Awards will be pins, we already have them, and they will be in (5) five year increments. If your service falls on one of those increments then you will get an invitation thru inner office mail. We'll honor you that night and you will get a free ticket for food. They'll either have to pay for a spouse and/or kids if they would want to bring them. We will have a retiree gift for the one's who will be retiring from last fiscal or anyone that we know of this fiscal year. Anyone retiring after the fact that we didn't know of, will pick them up on next years Service Awards Banquet. We've order the gifts which will be a plaque with the City of Lawton seal on it thanking them for their years of service. It'll have their year dates on it. They will get (2) two complimentary tickets and they will also be allowed to purchase additional tickets. Our count was around (140) one hundred forty pin recipients, if everyone came, and right now we are almost at (20) twenty retirees for the year. All of the City Manager's office will be there, inviting the Council Members and we hope it'll be a big deal. We are looking at tickets being (\$15) fifteen dollars per person, so if you want to bring a spouse, kids or other family members HR will have tickets for purchase. We'll have a program and the City Manager will talk a little bit so it should be a very nice evening. It will be April (21st) twenty-first from (6) six to (8) eight.

Golden asked if there was anyone who has it this fiscal year.

Massie answered when we send out the announcements we'll show the dates. We're using May (2nd) second to May (1st) first. Unfortunately if your service falls after the May date then you would be in next years. It hasn't been approved by the City Manager but he does have money for the EAC written in his budget and hopefully we can get that approved. We could use that for future pins to purchase and also for lunch in the Council Chambers.

Rolando asked what about those of us who are between (13) thirteen years.

Massie answered you wouldn't get anything this year it'll just be on the increments of (5) five. So when you get to (15) fifteen then you would get honored. Each year has a different gem but the (5) five year is the only one doesn't have a gem.

Rolando said we're still upset for not having our driver's pins anymore.

Massie said yes.

Golden asked if it was going to be downstairs.

Massie answered yes, in the Banquet Hall. We are looking at Ted's to cater the event, more information to come. We are currently in the middle of our retirement incentive package and we had a meeting last week for anyone who had questions or anyone who wanted more details. Our City Manager, Assistant City Manager Hadley and himself were there and hopefully got all of the questioned answered. We had (20) twenty in that meeting and right now we've had (3) three definite signups and (3) three or more who have indicated that they would be signing up. If you get questions on that they have until April (1st) first to notify their supervisor and HR.

Rolando said he mostly received negative comments on that.

Massie asked he would be curious as to why.

Rolando answered they were like why lose another (2.3%) two point three percent in retirement to go early. If they were retiring already it would be a bonus to go ahead and retire early because of it.

Massie said and that's why we made it optional.

4. ADJOURNMENT

Motion to adjourn by Judy Franco. Motion Carried

Meeting Adjourned at 9:46 a.m.