Employee Advisory Committee (EAC)

Meeting Minutes **APPROVED**

May 10, 2016

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

The meeting was called to order by Franco @ 8:59 a.m.

1. ROLL CALL

MEMBERS PRESENT:

Judy Franco – GIS
Albert Ozuna – Streets
Sir Allen (Chew) – Wastewater Collection
David Rolando – Solid Waste Collection
Britt Hubbard - Sewer
Denise Ezell – City Clerk
Scott Golden – MPWTP

OTHERS PRESENT:

Tim Wilson – City Attorney
Doug Wells – Council Member
Chase Massie – HR Director
Courteney Cacho - City Manager's Office

MEMBERS ABSENT:

Jorge Stephan Kidd – Building Maintenance
Ashley Glaze-Lyle – License & Permits

---

2. MINUTES

A) Approval of minutes for April 12th.

Motion to approve minutes by Judy Franco with a second by David Rolando Ayes: Franco, Ozuna, Ezell, Allen, Rolando, Golden, Hubbard Nays: None Motion carried.

3. OLD BUSINESS

A) Health Plan Review Report

Massie said there are a number of changes on the Health Plan Review. The health insurance, we are staying with BlueCross BlueShield of Oklahoma. Everything stays the same, even the medical cards will remain the same. We are going with a different Stop Loss carrier. It won't affect the employees because it's a lower Stop Loss rate with less liability. If someone has a catastrophic year, the City would pay less. The company's name is Access Reinsurance. The employees would never know because it's on the administrative side. It saves the City about ($60,000) sixty thousand dollars a year. Dental is changing to Delta Dental this coming year. They have the same plan as BlueCross BlueShield but there's a big difference. (1) One, the Network is much bigger. It'll be hard to not find a dentist in town who doesn't take Delta. On the BlueCross side there were a lot of dentists who didn't accept it. We actually reached out and talked to some local dentists. They said Delta is the best you'll get in Oklahoma. Delta pays their claims fast and its good insurance. (2) Two, we were able to get a (3) three year rate guarantee. People may have gone away from dental because their dentist was no longer taking BlueCross BlueShield. Now you have people coming back with claims within that (1st) first year. Year (2) two, premiums go skyrocket. This is nice that the premiums will not change for (3) three years; we do have that rate guarantee.

The dental premiums will be a little different this year. In the past it's been employee, employee/spouse and then employee/family with all the same rate. It will be broken down into (4) four groups:

Employee
Employee/Spouse
Employee/Child(ren)
Employee/Family

By doing that it lowers the premium for those who are covering a full family, a spouse, or a child. Vision is also going to change to Vision Service Plan (VSP). They were a little bit cheaper than Superior and their Network is the biggest in Oklahoma. It opens up Eye Mart and some optometrists that Superior doesn't cover. The plan stays the same, still a ($100) hundred dollar allowance. The big change for VSP is we'll have (2) two plans. There will be a Basic Plan or Low/High Plan depending on your usage. The premiums for the Basic stays the same in every category except for (1) one. On the High, they go up a ($1.50) dollar and fifty cents or ($2) two dollars. You would get a ($50) fifty dollar more allowance. The allowance for your contacts and frames goes up. Flex Spending is a HSA account and that is also changing to American Fidelity. Currently we are with Higginbotham. He is not impressed with Higginbotham and the fact that the City has to pay administrative fees if you use their debit card it'll cost you a ($1) dollar. American Fidelity there is no fees. There are no fees for the City, the card, or the employee. It's a very good benefit. The technology with American Fidelity is a lot better than it is with Higginbotham. If you need to turn in a receipt you can actually take a picture of it with your phone and send it in through the app. Open Enrollment is going to be May (31st) thirty-first to June (10th) tenth.

Rolando asked if it had changed.

Massie answered yes and the email went out last week to notify everyone about the dates. It will be a little different this year than it has been in the past. We are going to do mandatory group meetings for fire, police, and general. We will have (5) five days during that (2) two week period with (3) three meetings a day. Meeting times will be:

10am 2pm 6pm

If you have a spouse who is heavily involved in the decision making, (6pm) six o'clock would give employees time to bring their spouses. The meetings will last about an hour. NFP, our Insurance Broker, will run those meetings. They will go over all of our benefits and changes. They will go over all of the voluntary products such as the short term disability, accident and cancer coverage. By the end of the week, early next week, we'll be sending out an email with a link where you would click on and schedule your appointments. Those areas that don't have email it is with the Administrative Assistance approval to get everyone scheduled for the meeting. On of the things he's heard consistently this year is that the employees didn't know we had a (457) four fifty-seven plan, an option for short-term disability, or that we could get cancer coverage. By doing those mandatory meetings this gives everybody the chance to be informed on our health, vision, dental, and all of the insurances. For those (5) five days, we'll make those dates the Benefits Fair throughout the day. Throughout those days we will have ICMA, Nationwide, and Air Evacs setup. We'll have BlueCross, VSP, and Delta if you have individual or personal questions you'll be able to ask them directly. HR is always open for questions as well.

Rolando asked where do you signup, do you attend your hour class and then register.

Massie answered yes, we will have the forms there. You can either fill them out and turn them in right then or bring them by the HR office between that (2) two week period. We will have an email go out with those forms so you can print them out ahead of time.

Rolando said he has a question on the Flex card. Rolando asked when you signup for that time period, when would you actually get that.

Massie answered excepted July (1st) first. Everybody will receive a benefits card. It'll have the City logo on it and on the back it'll have our companies for health, vision, dental, along with our EAP Company, and American Fidelity. It will have all of their contact numbers and member ID number. Employees will also use this card as a City-savings card. A lot of other employers say if you go to this restaurant, bank, or this hotel you'll get a discount. There's no reason why the City shouldn't have something like that. We should be able to get something because we are one of the main employers in this town. The reason why we haven't done this from day (1) one, he didn't have a way to prove that you were a City employee unless you wanted to carry your paystub around. This card will be your proof and every employee will get one. They'll have an expiration date and you'll get a new one each year.

Rolando asked if it would have your name on it.

Massie answered as of right now, it won't have your name because we get them from our Insurance Broker. The Insurance Broker is paying for them for us. Another thing we thought of was having all City employees sign a statement saying that they would use it. It's a start and it is free of cost. There are some departments or divisions who do the badges that are paper. Problem with that is it might tear up or is easy to lose and would be a never-ending situation. We'll laminate these and we'll have them made with card stock. We are still working on trying to get names on there. He thinks most businesses won't care because regardless if it's you or your brother, you're still in there spending money. (10%) ten percent is not going to break them. We will have more communication come out on everything within the next couple of weeks.

Hubbard asked about rate changes.

Massie answered the premiums aren't changing for the health, those will remain the same. The big thing for the dental is it'll be at an employees cost and that's no different than fire and police.

Hubbard said but on dental that's taking away what the City was paying towards our dental.

Massie said that's correct, the City will not be contributing towards dental. It will be a voluntary product. (1) One, we are going fully insured with the dental. It will come off the health plan which would help the health fund. Hopefully that'll keep our premiums on the health side from going up. (2) Two, the Cadillac Tax that'll go into effect (3) three or (4) four years from now. If dental is combined with your health plan, like it is now, it would go towards that Cadillac Tax. If you hit a certain level it's (40%) forty percent tax either for the employer or the employee. Most companies are going to pass it on to the employee. By separating those, dental doesn't count towards that tax.

Hubbard said to him, we are still talking about a rate increase to our health. Dental may not be part of the package but is still part of your health. Would hate to see some of those increases go into effect. Hubbard asked what the rates were going to be for our dental plan.

Ezell said in essence, we are losing dental.

Massie said not losing it because you have that option to keep it.

Ezell said we are losing dental because the City's not paying for it.

Golden said the employees are losing it because right now it is included in our health plan. It's within that premium that we are losing for the health plan. He's had some complaints about the City going to a fully-insured dental plan. Now we're projecting that we are going to start paying the premium which is the same as our health that has dental included in it. You're taking it out and we have to pay extra for our health. He'll have to pay for himself and dependents. It's going to be more even though he still has the same premium rate on his health insurance that had his dental included.

Massie said the dental wasn't free on the health. The City was just making that additional payment for the health.

Ezell said so we've lost our dental. If you want dental, you are going to have to pay for it yourself.

Massie said just like vision.

Hubbard said a young family may elect not to have it because they'll try to save those dollars.

Wilson said the main advantage for the dental, is locking that rate in for dental for (3) three years. That your dental will not go up.

Ezell said it's still losing a benefit. Any way you go around it; we're still losing a benefit.

Wilson said it's a cost shift.

Allen asked how much more it's going to cost a pay period for dental.

Massie answered dental premiums per pay period are going to be:

Employee-Only	**$13.69**
Employee/Spouse	**$27.36**
Employee/Child(ren)	**$30.09**
Employee/Family	**$42.01**

Hubbard asked if that increase on the Employee/Child, what it was before.

Massie answered we have it right now for any dependent is ($28.45) twenty-eight dollars and forty-five cents. If you have Employee/Spouse, you are going to save ($27.36) twenty-seven dollars and thirty-six cents. That one will go down. Same thing for Employee/Child(ren), that's a cost savings. We are breaking those into (4) four Tiers we'll be saving money. Family and Employee-Only would go up because the Employee-Only hasn't paid a cost for it.

Franco asked if the vision was going to stay the same.

Massie answered vision is the same on the Basic Plan. It's a ($1.50) dollar and fifty cents more or ($2) two dollars more.

Golden asked if was going to increase the allowances.

Massie answered it increases your allowances and coverage. It covers scratch resistance, transition lenses and things like that. There's a lot more coverage. If you are someone who really doesn't use the vision coverage then it isn't going to change at all. It'll just be a bigger Network and it will cover more.

Rolando asked if there was still going to be a partial payment on the eye exam which is part of the health benefit.

Massie answered yes, it's not for everybody and that's why it's a voluntary product.

Hubbard said he disagrees with the City's choice to do away with funding our dental. It's an important area of our healthcare.

B) Chapter Ordinance – EAC Members Categories

Wilson said this is the ordinance that he passed out at the last EAC meeting. After having a discussion a couple of meetings ago and it just reclassifies the EAC. It's going to be based on your location. We'll have (10) ten groups. He mentioned at one of our earlier meetings to add an "At Large" position that would represent everybody which would be an (11th) eleventh position. It would be tied to the EAC in voting. The initial terms of office are listed. Some groups may only serve (1) one year in their (1st) first term and then recommended to serve (2) two years. After the (1st) first term everybody would get (2) years with staggered rotation. On October (1st) first, the current EAC will be dissolved and then we would have an election. If you want to stay on the EAC, you would have to file with the group you are in. Then whoever gets elected would represent that group. Otherwise, nothing else changes in the ordinance.

Golden asked if all (11) eleven groups gets dissolved and get voted in again.

Wilson answered correct.

Golden asked who votes for them if no ones on the EAC.

Wilson answered the employees would vote. You would file it in the City Clerk's office.

Golden said it would come down to who has the most votes. Golden asked if the "At Large" position City wide.

Wilson answered it could be a full time or part time employee.

Rolando asked who votes for the "At Large" position.

Wilson answered anybody who's an employee can vote for the "At Large" position.

Rolando asked if we could actually vote twice.

Ezell answered yes, and the (1st) first election you would vote twice. You'll vote for your group and the "At Large" position. Ezell asked how many members we have now.

Franco answered supposed to be (10) ten but we have (9) nine members.

Wilson said hopefully this time people would know who their group leader is. You would be able to reach your EAC Representative and it'll generate more interest. Once the EAC approves it, he's going to email it to Massie and let him put it on whatever Council Meeting.

<u>Motion to accept the EAC Member Categories Ordinance by Denise Ezell with a second by David Rolando</u> Ayes: Franco, Ozuna, Ezell, Allen, Rolando, Golden, Hubbard Nays: None <u>Motion carried</u>.

C) 457(b) Voluntary Plan

Franco said Councilman Wells is here to discuss some things.

Wells said he just wanted to tell the Committee where we are at. We'll possibly recommend new employees effective in July or sometime after to go to a (457) four fifty-seven type plan. For the (1st) first (4) four years would require (3%) three percent and the City will match that (3%) three percent. Every (4) four years it would go up (1%) one percent all the way to (6%) six percent. At (12) twelve years it would be (6%) six percent. The other (3%) three percent we really haven't discussed whether it'll be mandatory or voluntary. If they want to put (6%) six percent in, say at the (12) twelve year mark, we'll match (6%) six percent. That's the highest we would go. The (7%) seven percent that is left over, right now the City gives (10%) ten percent to the retirement system for payroll. We are going to give a (3%) three percent match and the other (7%) seven percent will go into the current system. We want to try to keep that healthy for future retirees. His whole intent is to take care of the current employees and recent retirees to make sure you all have your retirement. The difference would be that we are not adding additional obligation to it by keeping the system open forever. We'll cut it off and say here is our obligation to the future.

New employees get covered by a different system. He thinks it's a win situation. Most employees don't plan on being here (30) thirty or (40) forty years. They plan on being here (2) two or (3) three years and they want to take their retirement with them. Now they can't do that unless they have (10) ten years of service. They have to be employed with the City for (6) six months before they get to take the City's portion. We will always put the remaining portion, the (10%) ten percent, in the current retirement system to make sure that the system is there for the City employees. As long as interest rates stay low we are going to have problems saying we are funded. Don't do long term financial investments, like CDs, because interest rates are going to go up. If we do the change, the principal of it is to protect the current employees and the retirement system. Give the newer employees what they're looking for.

Hubbard asked if new employees will be totally invested after (6) six months and going to carry what the City's portion is and their portion.

Wells answered after (6) six months they would get their (3%) three percent back plus the City's (3%) three percent.

Hubbard asked what time can they increase their percentage.

Wells answered every (4) four years is his recommendation but hasn't been decided yet.

Franco said they could put more in at any year but the City will only benefit just the (4) four.

Wells said the maximum of a (457) four fifty-seven plan, which is a 401K, now is ($18,000) eighteen thousand dollars a year.

Hubbard asked what the City's max was.

Wells answered (6%) six percent. That's his suggestion. After (4) four years it'll go to (4%) four percent, (8) eight years it'll go to (5%) five percent and after (12) twelve years it'll go to (6%) six percent. At this point we haven't decided yet, it's just his suggestion. We would only match that if they put it in, if they want to increase theirs then we will increase ours. The remaining portion whatever it is will go into the current retirement system until it's (100%) one hundred percent funded.

Rolando asked if the (457) four fifty-seven plan would be the only option, there wouldn't be a 401k.

Wells answered the government calls it a (457) four fifty-seven plan which is the same thing as a 401k.

Massie said the 401k and the (457) four fifty-seven is the same thing but (457) four fifty-seven is nonprofit for our municipalities. After our last meeting he took the recommendation back to Mass Mutual. He asked if instead of coming in and taking over the funds, they would come in as a starter plan, a (3^{rd}) third option. They are a major company who said unfortunately they wouldn't be able to do that because there's not any money in it for them. They spend so much money to develop the website, training, and education pieces that they won't be guaranteed any money would come in. They originally tried that for another company. They come in spending money on building a website, training and education only to have them remain with who they're with. We did look at some start up companies and the fees aren't has close to what we even had. As of right now, it's still Nationwide and ICMA.

Wilson said he may have been the one to stir the pot on this one. He's been with ICMA since (2001) two thousand one and would like to keep that option.

Wells said the reason why he likes ICMA when you retire you can manage your own account. There are assistants and you don't have fees when you do transfers. There're fees that companies charge but you don't see fees with a normal 401k or (457) four fifty-seven plan.

Massie said we tried again after he knew that Mass Mutual wasn't going to come through. He got in touch with ICMA to tell them that they've got to increase their training and education. They said they would.

Wilson said we have a guy in Edmond too.

Massie said they need to be here a lot more than they are.

Wells said you don't have to put down a lot, just ($10) ten dollars, ($20) twenty dollars or whatever a pay period to put into ICMA. Even playing a conservative role in there, you can come out with some good money. It's a good supplement. It's something that the employees need to start if they can afford a little bit. Can't touch it until (59 1/2) fifty-nine and a half but it's something that's going to be there.

Hubbard asked on the plan that you are looking at for new employees, is that going to be a plan where they'll be able to manage their investments.

Wells answered they can manage it online. If you are young, you can put it in a growth fund, and let it sit there for (15) fifteen years. If you're a little older and getting closer to retirement then you would want to be more conservative.

Massie said these will have a target date retirement minus the default. That'll take into account your age, what your expected retirement date would be and they'll put it into investment options for you. So many of us who don't know enough about it and don't want to mess with it won't have to. It'll default and only the people who are knowledgeable would want to participate in it. They can go in and make their own select.

Wells said his main thing is all across the country you see cities, states, and countries going bankrupt. Retirement funds either being wiped out or cut. We could build the liabilities but it will come to a point where employees are putting in (15) fifteen to (20%) twenty percent of their pay towards a retirement system to make sure it's there. He'd rather make sure City employees have their retirement and new employees have what they want. Most of them are looking for the ability to take their retirement with them if they decide to leave the City.

Rolando said his division is very heavy on the new guys. Rolando asked if they are less than a year when this new system comes into effect, would they have the option to drop out of the pension program and start in the new program.

Massie answered yes.

Wells said all of the people under Tier (2) two were discussing all of those employees for the last (3) three or (4) four years will have an option for the (1st) first (90) ninety days to convert over to this.

Rolando asked with Tier (2), how long.

Wells answered we changed it about (3) three or (4) four years ago. The system that you are under will get (2.3%) two point three percent of (30) thirty months pay when you retire. With Tier (2) you get (2.3%) two point three percent of their career average from the (1st) first gross pay to the last gross pay. There are added together which means they'll be getting about (40%) forty percent less retirement benefit than our current employees.

Rolando asked if everybody under that plan would have the option.

Wells answered yes.

Massie said we could probably do it for everybody. It wouldn't be a good option for them unless they were thinking they're not going to make (10) ten years.

Wells said anyone under (10) ten years of service will have the option.

Massie said we want to do what is best for the employees. If you have (10) ten years, you're invested to stay where you are at.

Wells said obviously the long time goal is to make sure all of you are taken care of. Eventually it will start saving the City some money because they won't have to put that much into the system.

Golden said the one's who have been here for a while have set up a substantial amount in their retirement plan. Golden asked he's been with the City for (10) ten years, how does it work if he chose the option for ICMA but use it as a secondary.

Wells answered it's not a problem at all.

Golden asked where you go to actually set this up.

Massie answered the HR office.

Golden asked he is already giving to the pension plan, how does it work.

Wells answered you still pay (6.3%) six point three percent into it. You can select any amount you want to go into ICMA. You can change it at anytime.

Hubbard asked if they are coming down during Open Enrollment.

Wells answered yes, during Open Enrollment. You can change your amount anytime.

Golden asked if the City still would match that.

Wells answered no.

Golden asked if that's just whatever you put in.

Wells answered yes.

Ezell asked if it was normal procedure for a (457) four fifty-seven plan to be taken by an employee and what the City has put in when they leave.

Wells answered yes.

Ezell asked once the City gives it to you, it's yours.

Wells answered yes.

Ezell asked do we have to wait (10) ten years to be invested.

Massie answered yes.

Ezell asked if with a (457) four fifty-seven plan you are automatically invested at (6) six months.

Massie answered that was the trade-off. There's (2) two big things with this. A Define Benefits Plan which is currently what we have. A Define Contribution Plan is what the new employees would have. The big difference is the Define Benefits retirement is for life and is never going to run out. On the DC Plan, it's portable which is great for new employees. Some of them look at (10) ten years and say there's no way. So now they can take all of it with them. Whatever they retire with can run out. They have to be very smart when they retire on how much to take on a monthly basis. That money can and will run out at some point where as the Define benefit that we are on is for life.

Wells said as long as there's money in there to pay it. If you get a bad investor or you're not paying attention, be doing it for a year or (10) ten years, and then all of a sudden you are out of money other than your Social Security. The key is for the younger employees to be wiser about their investments so they will have that retirement in the future. Right now, if you leave at (8) eight years, you'll get what you put into the system back in interest. (2) Two or (3%) three percent is really not that much. Under the new plan you'll get your (3%) three percent and your (3%) three percent City match but you don't get any interest. There's nothing coming out of the current plan as it stands.

4. <u>NEW BUSINESS</u>
(NONE)

5. <u>COMMUNICATION/DISCUSSION</u>
* Ezell asked what the Committee thought about Wells' (457) four fifty-seven plan. She is not a (457) four fifty-seven person and totally disagrees.

Rolando asked as far as changing to the pension.

Ezell answered that too.

Wilson said the more accurate term is Define Contribution Plan.

Ezell said at the end of the month she knows what can pay her bills and what she is able to blow.

Rolando said he sees it as being inevitable. Everyone else has lost their pension.

Hubbard said he isn't sure what other companies have been doing. When he worked for a gas company, he put in a percentage and they put in a percentage. This sounds like a more stabilized plan.

Massie said it is something that everyone's going to because you can't afford to pay the pension. If we don't we are going to get to a point when we retire it runs out of money. Cameron and State went to a DC Plan last year and military is currently in the process of going to a DC Plan.

Rolando asked if Goodyear did.

Massie answered yes. They may have done it earlier than most. Goodyear sees things before anybody. When your State is doing it and some of your big employers, there's something to it. The big key is that Council is on board with the additional (7%) seven percent funding the Defined Benefit and that's a big piece. Before it wasn't going to be (7%) seven percent but much lower than that.

Rolando said it would put us much further into the future.

Massie said it will help a lot. It's still (7%) seven percent not an employee with a liability there. We'll have an actuary come in and they will run the numbers to make sure this is going to work before we do anything.

Ezell said the actuary is totally against it which she understands.

Massie said he's going to lose business.

Ezell said no, we are still going to have an actuary as long as there's a pension. So, he's not going to lose business but he doesn't believe that you can live off of a (457) four fifty-seven. Just like there is talk about money may run out before we got it.

Hubbard said it's the same as what we have right now. Someone can take their money, go to the casino and blow it. It happens and with this type of plan it makes it even easier for those types of things to happen because people can start drawing out before they reach retirement age. It is a scary thing and you don't have anything guaranteed for the future. Your money is there as long as you want it to be there.

Massie said it will be a recruiting tool in some aspects. Lot easier to recruit employees by telling them if they leave in (2) two years or (3) three years, you'll get to take this money with you as oppose to leaving at (10) ten years. (10) Ten years is a long time. He's done a survey and most cities are (5) five or (7) seven. (5) Five years is long for this next generation. Stats to look at are (18) eighteen to (24) twenty-four months. The new generation is purpose driven, they want a cause, and they want to know what they are working for. They want to be interested and invested in it. If you don't continue to give them new task or new opportunities, they'll get bored and find a new career.

Franco asked when Massie's recruiting new employees, do they get the option to voluntary (457) four fifty-seven.

Massie answered absolutely, that's covered with every new employee. Ideally every employee could be doing both. He's a big believer that you can't have too much money in your retirement fund.

Ezell said it's more expensive to retire.

Wilson said their health insurance isn't going to be cheaper in (15) fifteen or (20) twenty years.

Ezell said when you see someone retire and come back saying, if they knew how much it was going to cost they wouldn't have done it. It's expensive to retire.

Massie said with it being portable like this, they do have to go through some steps to get it out. If they leave they'll get their payout of whatever they contributed. With this one, you'll have to fill out some paperwork, take it to HR to have it signed, and send it in. We have the same problem now, if you work (10) ten years, you'll get a check for a lot of money. If it's (5) five, (6) six, (7) seven years, then what do you do with it. If you get ($8000) eight thousand dollars, he could pay off his vehicle, go to the casino, or he could put it back into his retirement.

---

* Franco said some people have asked her about furloughs. Franco asked how it would affect part time employees.

Massie answered mostly it would be on a prorated basis.

Franco said there are some employees out there who have garnishments. Franco asked how the City would handle that.

Massie answered he doesn't know about the garnishment side of it.

Franco asked if those would be a special case.

Ezell answered the garnishment is only (25%) twenty-five percent of what is earned. If their earnings are less then the garnishments are going to be less. That's automatic; they can only take a percentage of what you make.

Franco said with it being Friday, Memorial Day, and Christmas being a holiday with them being on a tight bend.

Massie said a few things went with this decision. (1) One, the City Manager wanted to find a way to add steps and the minimum step is (2.5%) two point five percent. Some may get more than that. Without the furloughs the steps will be frozen for another year. With (2) two furlough days everybody comes out better in the long run. We were trying to figure out when to do this. We even talked to some general employees. The thought every year is why not close for Christmas Eve. It's usually a skeleton crew anyway. The thought was let's go ahead and close that day. Not only will we save by doing a furlough day, we will save on our salaries, utilities and all we are using which is additional savings for the budget. It's a day that most employees want to spend with their families. Memorial Day, we wanted to do one of the last days possible but still trying to make it a (4) four day weekend. If there are saving there then that one will be pulled off. Instead of furloughs in the fall, we were thinking about the day after Thanksgiving. We liked the fact of doing Friday before Memorial Day because it still leads that opportunity to pull it off if savings are there and the budget looks ok at that point.

Ozuna said in his division, everybody from the supervisor to the superintendent, Drainage, Streets, and Traffic are all for it because step increases are permanent.

Rolando said the max amount of people in his department who can have off on any given day or year is (2) two. Rolando asked how it would affect (10) ten hour employees; will we lose the (10) ten hours verses the (8) eight.

Massie answered it would be (16) sixteen hours and it would be up to the supervisor.

Rolando asked if you could use vacation.

Massie answered yes or flex.

Rolando asked if it would only be (16) sixteen and not a day.

Massie answered we want it communicated as (16) sixteen hours. It's not (2) two days. For some reason those (16) sixteen hours have been worked in and then Memorial Day comes around. The savings are good and we don't have furlough then they would get paid back.

Golden asked how you are going to keep track of this as far as payroll or would it be easier to create a type code.

Massie answered that's exactly what we would do.

Golden said the other question is for non-shift employees, we take off and this is going to be our furlough day but he gets called in that night. Golden asked how that would work.

Massie answered it's going to depend on how many hours you have. We would want to talk to Peters in Payroll about that one.

Golden said like on-call situations, it's like you're saving but you're not saving.

Massie said there's nothing we could do if you got called in. We would try to avoid theses busy times and try to be smart when these days are. The bottom line is every employee it may hurt that month. From City Manager down, it will decrease their check for that month. Overall, the step/raise we're going to get and it's going to be more than just those (2) two days.

Hubbard asked is there a chance the furlough days may not have to be taken.

Massie answered the (2) two days that are proposed are the Friday before Christmas unless the department saves enough money. Once we get into the spring of next year there will be a chance the Friday before Memorial Day will be pulled off and you wouldn't have to take it.

Rolando asked who would oversee that.

Massie answered City Manager.

Ezell asked why not wait and put step increases in January; is it because you're saving the same amount of money with a whole lot less headache.

Massie answered steps are permanent.

Ezell said if you put it in January it'll be permanent.

Wilson said some people have their step dates on the (1^{st}) first half of the fiscal year.

Allen said basically on the furlough, Friday before Christmas would be up to the supervisor because we have shift employees and would want to figure out how to delegate who's going to work so many hours. Christmas being the furlough for sure they would either get (8) eight hours or (10) ten hours of furlough.

Massie said that would be up to the supervisor on how to go about it. They could do the whole (10) ten as furlough and they would only have (6) six more to go.

---

* Rolando asked if we ever discussed what's going to happen to the people who were suppose to get their (6) six month step increase during this past year.

Massie answered basically they are in a freeze but when it comes time and their steps aren't frozen they'll get their (6) six month.

Rolando said he has (5) five or (6) six people who didn't receive their (6) six month increase. Rolando asked when it's unfrozen do they get it automatically or do they wait until their year.

Massie answered they would get it once it's unfrozen.

Golden said anyone who has their (6) six months before July will not get their step increase but if it falls after July when they reinstate it, then they'll get the (6) six month.

Ezell said they lost it basically is what they did. When their year rolls around then they will get a step increase.

Rolando asked for their (6) six month or for their year.

Ezell answered you can forget about the (6) six months because they lost the (6) six months. Once it was frozen they lost it.

Golden said they would just receive their annual step increase. It's like an employee started at the wrong time.

Ezell said that's why we should have taken it out of the code so it would have looked a lot cleaner when we froze it. There will be new employees who will get hired in July and will receive a (6) six month raise when the others never received it.

Rolando asked if 'B' is at the (1) one year mark.

Ezell answered correct.

Massie said every time it freezes you are going to run into something like that.

Ezell said she disagrees with it and doesn't think its right.

Massie said we tried to get that changed. We tried to remove (6) six month steps but it got turned down and that was a big savings too.

---

* Golden said it hasn't been brought up in a while and knows that we have talked about it. Golden asked as far as the vacation benefits, are those going into effect where you can start using your vacation after (6) six months.

Massie answered that has already been taken care of.

Ezell said that was a good move.

Rolando said his guys loved it even though nobody is holding on to any time.

---

* Rolando asked what the maximum comp time is.

Massie answered (120) one twenty.

Rolando asked if we carried our (120) one twenty until retirement, is it eligible for selling or do you have to take it.

Franco asked don't you have to take it at a certain point or it's paid out.

Hubbard answered it's paid out.

Massie said you've earned it.

Golden said the last he remembered it was the same as vacation.

Rolando asked if you were getting ready to retire, if you would receive your vacation, comp, and etcetera.

Franco answered there's a time limit when they pay you out because you can't carry it.

Rolando asked if it expires.

Ezell answered they'll pay you for it and then it would go back to (0) zero.

Franco said they'll pay your overage.

Golden asked does it go back to (0) zero or do they pay you over the (120) one twenty.

Franco answered your overage.

Hubbard said you get a (120) hundred twenty hours and any overtime that you work gets paid as overtime.

Ozuna said you can't build it over (120) one twenty.

Hubbard said you can use part of it, it's like a bucket. You can full it right back up.

---

* Rolando said the trash department is new to the EAC and they are starting to get interested. Rolando asked what the penalties are for early retirement.

Franco answered she'll email it to him.

Rolando said he's been having a hard time with the City code because sometimes you can get in and sometimes you can't.

Ezell said she has a paper that HR handed out a few years back that gives all of that information.

Massie said the easiest thing to do is stop by the HR office.

Ezell said it doesn't tell you what you get deemed. It just tells you when you're eligible.

Rolando asked what they get deemed.

Hubbard answered its part of the formula.

Ezell said it's a long formula. It deals with years of service and age.

Hubbard said (30) thirty years is full retirement.

Wilson said it depends on your age.

Ezell said at (62) sixty-two you can get normal retirement.

Rolando said as long as you have (10) ten years or age (65) sixty-five with any amount of years.

Ezell said anytime you do early retirement, you are going to be deemed a certain percentage and that percentage is by a formula.

Hubbard said any City employee can go to the City's website and get that information.

Wilson said it's in Chapter (17) seventeen.

4. ADJOURNMENT

Motion to adjourn by Judy Franco and 2nd By David Rolando. **Motion Carried**
Meeting Adjourned at 10:14 a.m.