



MINUTES OF AN OFFICIAL MEETING:

Regular / Special Meeting: Human Resources and Public Safety Committee
Date and Time: Wednesday, October 14, 2020 at 7:00 P.M.
Location: City Hall, Common Council Chambers, 2000 North Calhoun Road
Members Present: Alderman Bob Reddin, Alderman Gary Mahkorn, Alderman Scott Berg, Alderman Rick Owen, and Alderman Kathryn Wilson.
Members Excused: None.
Others Present: Human Resources Director James Zwerlein.

1. Roll Call

After noting a quorum was present, Chairman Reddin called the Human Resources and Public Safety Committee to order at 7:00 p.m.

2. Announcements

Chairman Reddin stated the next meeting of the Human Resources and Public Safety Committee will be held on November 11, 2020 at 7:00p.m., if needed.

3. Minutes of the September 9, 2020 Meeting

Alderman Owen moved to approve the minutes of the September 9, 2020 meeting. Seconded by Alderman Berg. Motion carried 5-0.

4. Human Resources and Public Safety Committee Items

2020 Health Insurance Plan Experience Review.

Director Zwerlein presented the Executive Summary contained in the Data Dashboard report provided by the City's Insurance consultant, Willis, Inc. Through August 2020, the health plan ran at 97.6% of budgeted accrual. There are sixteen (16) claimants above 50% of the \$70k specific stop-loss deductible for the current calendar year. There are twenty-three (23) claimants above 50% of the \$70k specific stop-loss deductible through twenty (20) months of the prior stop-loss policy year, which is a record number since the City self-funded. Staff put out to bid nine (9) stop-loss carriers this year. Symetra, Inc. is our current stop-loss carrier and they bid a 20% increase with a guarantee of no lasers for 2021. Three (3) carriers declined to quote and four (4) others were deemed uncompetitive. Voya bid an 8% increase with \$1.2 million in lasers and QBE bid a 6% increase with \$1.5 million in lasers. Staff is currently waiting through October for firmer bids with more health plan experience data and considering raising the stop-loss deductible to reduce potential cost and overall liability that comes with lasering.

Alderman Owen inquired about the success of the implementation of the High Deductible Health Plan (HDHP). Director Zwerlein responded that our current experience with the HDHP has been positive, however, this plan is largely selected by young, healthy employees; therefore, the PPO Plan is two-times as costly currently. Staff is currently evaluating ways to incentivize the HDHP, because, at this point, the overall health insurance renewal is projected at a 13% increase. The health insurance fund has almost \$3

million in reserves and in order to stay at the 2.5% budgeted increase for 2021, we would need \$400k of that reserve to be utilized. Discussion item only. **No action taken.**

5. Common Council Items

2021 Salary Ordinance Addendum.

Director Zwerlein presented the proposed 2021 Salary Ordinance Addendum for the Committee's consideration. He stated a 0% general wage increase is recommended for titles contained in most sections of the Addendum and a 2.5% increase for the Sworn Management titles, which is consistent with 2021 union wage settlements. CPI is running at approximately 1.3%.

Director Zwerlein then proceeded to outline the changes in organizational design proposed in the 2021 budget that would have an impact on salaries and positions. In general, the changes affect four (4) departments and divisions yielding a net decrease of 2.25 FTE positions. In the Finance Department, one position of the Office Services Assistant will be reduced by one-quarter (0.25) FTE for a savings of \$10,544. In the Community Development Department, the Planning Administrator incumbent retired in September, which will remain vacant for succession planning purposes. The Neighborhood Planning Coordinator incumbent will be promoted into an Associate Planner title in the interim and the Neighborhood Planning Coordinator title will be deleted in order to test whether or not the department's operations can be completed with three (3) positions. This new framework, which provides a more generalized approach for each of the remaining staff members, will yield a savings of \$72,571. In the Water Division there will be a reclassification of one (1.00) FTE Water Utility Operator II position to the title of Water Utility Specialist II in order for work repairs to be accomplished more economically than contracting. This reclassification will cost a total of \$3,952. Lastly, in the Fleet Division there will be a deletion one (1.00) Fleet Service Technician, yielding a savings of \$69,576. This position has been vacant throughout 2020 in order to test whether or not operations could be completed with only three (3) positions, which proved to be successful. Accordingly, all together, the net decrease in salary outlays projected for all changes amounts to approximately \$148,739.

Alderman Mahkorn stated he had opportunity to discuss the proposed changes with key Community Development Department employees. He stated they expressed a willingness to work with the new structure and that the new approach is worth consideration and, as team players, they were committed to making it work. He stated the adaptive measures contemplated are important, and others may need to be developed, as we cannot be certain of what 2021 portends, considering the current economic and political environment. All other committee members echoed Alderman Mahkorn's statements expressing in general that the situation will need to be monitored to ensure planning efforts can be maintained and that staff isn't overburdened.

Director Zwerlein stated that it has been the City's practice to continually evaluate organizational design and to monitor the effectiveness of the changes implemented with each budget. Recognizing the effectiveness of the new design will not lend itself to quantitative measurement; we will rely primarily on the Community Development Director to use his best judgment to manage the additional funds being appropriated for adaptive measures. We are confident we have the right mix of professional staff to steer the City's efforts during these uncertain times.

Alderman Mahkorn moved to approve the 2021 Salary Ordinance Addendum. Seconded by Alderman Wilson. Motion carried 5-0.

6. Adjournment

Alderman Mahkorn moved to adjourn. Seconded by Alderman Owen. Motion carried 5-0. 8:27p.m.

Respectfully Submitted:

James Zwerlein

Human Resources Department/Human Resources Director