



CITY OF GROSSE POINTE WOODS

20025 Mack Plaza Drive
Grosse Pointe Woods, Michigan 48236-2397

(313) 343-2440
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NOTICE OF MEETING AND AGENDA

COMMITTEE-OF-THE-WHOLE

Mayor Robert E. Novitke has called a meeting of the City Council, meeting as a Committee-of-the-Whole, for **Monday, June 19, 2017, at 7:00 p.m.** The meeting will be held in the Conference Room of the Municipal Building, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 and is accessible through the Municipal Court doors. In accordance with Public Act 267, the meeting is open to the public and the agenda items are as follows:

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Employee Handbook Supplement – Non-Union Employees A. Memo 06/19/17 – City Administrator/Treasurer-Comptroller
5. The Rivers
6. New Business/Public Comment
7. Adjournment

Bruce Smith
City Administrator

IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT) POSTED AND COPIES GIVEN TO NEWSPAPERS

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired, or audio tapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the City Clerk's office, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440, Telecommunications Device for the Deaf (TDD) 313 343-9249, or e-mail the City Clerk at cityclk@gpwwmi.us.

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Council – 7
Berschback
Smith
Hathaway

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CITY OF GROSSE POINTE WOODS

MEMORANDUM

4A

Date: June 19, 2017

To: Mayor and City Council

Re: Non-Union Employees, Department Heads

Please find attached a copy of the supplement to the Employee Handbook dated 8/2/2012 from Fiscal Year 2016-17 which reflects the change council authorized on September 12, 2016 for all Non-Union Employees and Department Heads. Significant changes were made during this process including health care, pension and retiree health care.

The draft document attached, contingent upon Council approval, is requesting the following for all Non-Union Employees, Department Heads:

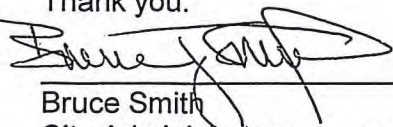
1. *Effective July 1, 2017 all full-time employees will receive a service loyalty payment of \$500 and permanent part-time office/clerical staff may receive up to \$250, less appropriate payroll taxes.*
2. *There will be an across the board wage increase for full time employees and permanent part-time employees as follows:*
 - *Effective July 1, 2017 (2%) two percent*
3. *Continue five (5) unpaid furlough days during the fiscal year 2017-2018.*

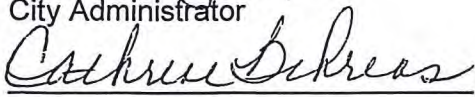
Furlough Days fiscal year 2017-2018:

<i>July 3</i>	<i>Day before 4th of July</i>
<i>September</i>	<i>Friday before Labor Day</i>
<i>January</i>	<i>Martin Luther King</i>
<i>April</i>	<i>Easter Monday</i>
<i>May</i>	<i>Friday before Memorial Day</i>

The 2017-18 Fiscal Year budget document adopted on May 15, 2017 was compiled utilizing a 2% increase for all staff members who fall into this category, as well as the stipend; adequate funds have been budgeted through multiple departmental staff salary lines.

Thank you.


Bruce Smith
City Administrator


Cathrene Behrens
Treasurer/Comptroller

City Council Approval

City of Grosse Pointe Woods

Non-Union Employees and Department Heads

July 1, 2017

This is a supplement to the Employee Handbook dated 8/2/12 and reflects changes:

1. Effective July 1, 2017 all full-time employees will receive a service loyalty payment of \$500 and permanent part-time office/clerical staff may receive up to \$250, less appropriate payroll taxes.
2. There will be an across the board wage increase for full time employees and permanent part-time employees as follows:

Effective July 1, 2017 (2%) two percent
3. Continue five (5) *unpaid* furlough days during the fiscal year 2017-2018.

Furlough Days fiscal year 2017-2018:

July 3	Day before 4 th of July
September	Friday before Labor Day
January	Martin Luther King
April	Easter Monday
May	Friday before Memorial Day

City of Grosse Pointe Woods

Non-Union Employees & Department Heads

(Approved by City Council September 12, 2016)

This is a supplement to the Employee Handbook dated 8/2/12 and reflects changes:

1. Effective August 24, 2016, all full-time employees will receive a service loyalty payment of \$500 and permanent part-time office/clerical staff may receive up to \$250, less appropriate payroll taxes.
2. There will be an across the board wage increase for full time employees and permanent part-time employees as follows:

Effective August 24, 2016 (2%) two percent
3. Continue five (5) *unpaid* furlough days during the fiscal year 2016-17 (see page 4).
4. Delta Dental or Equivalent
 - a. 75% - 25%.
 - b. Class I: \$1,000.00 per year each member and/or dependents.
 - c. Orthodontic Benefits: 50/50 co-pay; \$1,000.00 lifetime maximum.
5. All employees hired on or after July 1, 2016, shall not be eligible for a post-retirement redetermination of the retirement allowance (COLA).
6. Retiree healthcare contributions of gross pay, as set forth below, shall continue as they have since the payroll period following April 5, 2011. Employee contributions shall be placed in a retiree healthcare arrangement as determined and adopted by the City. This provision applies to employees hired prior to August 1, 2008. The contribution rate for each employee shall be as follows:

<u>Employee's service time at age 65</u>	<u>Employee Contribution</u>
10 to 15 years	1.0%
15 to 20 years	1.5%
20 to less than 25 years	1.75%
25 + years	2.0%

7. Retiree health insurance revised to provide coverage for dependents so long as required by law. Spouse coverage provided as set forth in #9 below.

Effective January 1, 2017, Healthcare for active employees will be BCBSM SB 2000 H.S.A. with \$2,000 individual/\$4,000 two-person and family deductible and \$1,000 individual/\$2,000 two-person/family annual Prescription coinsurance maximums. Prescription copay shall be \$10/\$40/\$80 (after deductible). The City shall annually, on January 1st, contribute \$1,700 to the H.S.A. account of each employee who has elected a single plan and \$2,000 to the H.S.A. account of each employee who has elected a two-person or family plan. The contribution shall be based on the employee's enrollment on the first day of the Plan year. The City's contribution shall be pro-rated for each employee who is hired or otherwise joins the Plan during the Plan year. An employee who has received the annual H.S.A. contribution but then opts out of the City health care during the same year shall not be eligible for more than \$1,000 of the opt out payment.

For Employees hired prior to August 1, 2008, the Employer agrees to maintain the following health care coverage for each retiree, spouse and qualified dependent of record at the time of retirement so long as required by law. Effective with retirements after the date the plan is approved by City Council, the health care program is BCBS Community Blue PPO-4 or equivalent BCBS plan, with \$500 individual/\$1,000 two-person and family in-network deductibles, in net-work co-insurance of 80%, \$20 office visit co-pay \$150 ER co-pay, in network out of pocket max of \$1,500/\$3,000. Prescription drug card \$10/\$20/\$40; MOPD 2x.*

Premium contributions by retirees for PPO4 are as follows: \$250 single employee and \$500 two-person and family coverage.

Employees hired after August 1, 2008, are not entitled to the healthcare benefits presently provided to retirees/spouses. These Employees are eligible to participate in a "VEBA type" plan approved by the City. The City will contribute to a plan on behalf of each new Employee for each month in which the Employee is compensated for at least 150 hours (\$145 per month effective August 1, 2009 and each month thereafter). Employee accounts will be invested in a qualified Retiree Health Coverage Arrangement under the provisions of the Internal Revenue Code which will permit application of a vesting

schedule to retiree benefits. The selection of such arrangement shall be at the discretion of the Employer.

The Employees acknowledge that they are subject to the Publically Funded Health Insurance Contribution Act, MCL 15.561 et. Seq. being Public Act 152 of 2011 (Hard Cap and 80/20 law) and that the Employer has the right to make elections and allocations described in that Act. Premium contributions, in accordance with PA 152 hard cap will be adjusted in January of each year.

8. Employment agreement/handbook was revised to eliminate longevity; which has been past practice.
9. Employment agreement/handbook was revised to change health insurance opt out to \$3,000 as of January 1, 2011.
10. Employment agreement/handbook has been revised to increase allowable part-time hours to be 1,350 hours per calendar year, subject to budget appropriations.
11. Employment agreement/handbook has been revised with respect to retiree healthcare as follows:

Current employees' retirement healthcare eligibility shall be as follows: *

10 years of Actual Service Time	City Contribution	Employee 25%**	Spouse 0%
15 years of Actual Service Time	City Contribution	Employee 50%	Spouse 0%
20 years of Actual Service Time	City Contribution	Employee 100%	Spouse 75%
25 years of Actual Service Time	City Contribution	Employee 100%	Spouse 100%

Employee contributions shall be made one month in advance as a condition of receiving the City retiree healthcare contribution.

* For Current employees, hired prior to August 1, 2008: *actual credited service*.

** For Current employees, hired prior to August 1, 2008: 10 years of actual service time, City contributed Employee 50%, Spouse 0% and at least age 60.

Furlough Days fiscal year 2016-17:

July 5	Day after 4 th of July <u>(except 2017; Monday July 3)</u>
September	Friday before Labor Day
January	Martin Luther King
April	Easter Monday
May	Friday before Memorial Day

NOTICE:

Employees hired after March 30, 2011, shall receive a pension multiplier of 1.75% and shall contribute 5% of earnings as defined in the Retirement Ordinance. The City may, at its option, select a new retirement program (defined contribution plan) for new hires.