

MINUTES OF MEETING
DANIA BEACH CITY COMMISSION
IMPASSE HEARING
WEDNESDAY, AUGUST 1, 2012 – 6:00 P.M. – 8:00 P.M.

1. Call to Order/ Roll Call

Mayor Flury called the meeting to order at 6:00 p.m.

Present:

| | |
|-----------------|---------------------|
| Mayor: | Patricia A. Flury |
| Vice-Mayor: | C. K. "Mac" McElyea |
| Commissioners: | Anne Castro |
| | Walter Duke |
| | Bobbie H. Grace |
| City Manager: | Robert Baldwin |
| City Attorney: | Thomas J. Ansbro |
| City Clerk: | Louise Stilson |
| Labor Attorney: | Jim Cherof |

2. Explanation of Impasse Public Hearing Process by City Attorney

City Attorney Ansbro provided an overview of the issues and what is expected of the Commission this evening.

3. Impasse Hearing

3.1 Presentation by City Manager and Manager's Bargaining Team

Jim Cherof, City Labor Attorney, provided a binder with information materials to the members of the Commission, which is attached to and incorporated into these minutes, and summarized the contents therein.

Attorney Cherof commented the Impasse is a monetary issue as is the manager's proposal, which requires some level of fiscal restraint moving forward in terms of wages and benefits. Through the use of presentation boards, he illustrated the difference in the compensation package of veteran employees and those hired after 2006 when the City went to FRS. He noted the basis for the City Manager's package proposal has components that include pension and health insurance reform, and presented data comparing surrounding cities' employee contributions to health care costs. Attorney Cherof said the City initially proposed that the employees pick up 15% of the cost for insurance, however the City Manager may compromise to 10% and further recommends the City retains the right to modify levels of benefits annually.

Attorney Cherof spoke about the conversion of accrual of annual leave time to Paid Time Off (PTO) hours and the reason behind this proposal. An alternative is now to keep the level of Sick and Vacation the same and eliminate the Personal and Safety days so that there is a reduction of the number of hours accumulated and a corresponding cash value savings. Sick leave would be a use it or lose it concept above a 480-hour cap and a payout of 50% if the employee leaves the City. There would be no annual 40-hour payout option for vacation leave.

Regarding Disciplinary Appeals, Attorney Cherof noted the City Manager now agrees to retain the procedure, which is what the Union was seeking.

Regarding Pension Plan Reform, Attorney Cherof noted the Union and City Manager accept the Magistrate's recommendation to eliminate DROP. The City Manager recommends reducing the City's pickup of the employee contribution by 3% and reducing the multiplier from 3.0 to 1.6, which would match the FRS multiplier.

Regarding Bereavement Leave, the City Manager now agrees to keep the status quo.

Regarding the Safety Day, the proposal is to eliminate it in favor of maintaining the level of accrual for sick and vacation leave.

Regarding Employees Charged with Felony, the employee should not be permitted to come back to work or be off from work at the City's expense if it involves a crime against the City or a coworker. If the employee is later found not guilty or the charges are dropped, the City Manager proposes all time will be restored.

Regarding Wages, the City Manager proposes a 2% base wage increase if the medical savings can be achieved through the annual 10% employee contribution and there is the ability to modify level of benefits annually. If not, wages should be frozen.

Regarding Term of Agreement, the City Manager recommends ending the agreement on September 30, 2013, as the original end date of September 30, 2012, makes no sense.

Regarding Hours of Work and Overtime, some employees work 37.5 hours, but get paid for 40 hours. For consistency, all employees should be treated the same; the past practice should be eliminated and all employees work 40 hours.

3.2 Presentation by AFSCME Representative(s)

Jill Hanson, AFSCME Attorney, said the Union did provide its acceptances of the Magistrate's recommendations to the Labor Attorney for the City and she provided a copy to the Commission, which is attached to and included in these minutes. She commented that the City and Union have had a good history over the years and noted the Union accepted most of the Magistrate's recommendations.

Attorney Hanson further commented that Union employee wages are in line with other cities and over the years, the Union has given concessions to the City, such as agreeing six years ago to

give up the defined benefit plan for future employees. This year, the Union agreed to increased health insurance costs and to pay 10% of the cost of the plan. Future increases would be bargained and the Union is willing to participate in the negotiation of future levels of health benefits.

Regarding Wages, Attorney Hanson noted the Union agrees with the Magistrate's recommendation for a 3% across the board increase beginning October 1, 2012.

Regarding Leave provisions, the Union accepts the Magistrate's recommendation to keep the status quo. They will consider some type of merged paid time off system, but object to employees forfeiting money they accrued in lieu of time off. The City has encouraged employees to bank the hours and now wants to punish them for not using their time.

Regarding Employees Charged with Felony, the Union questions why this is an issue. If it ever became an issue, the City has the authority to do what it needs to do under the contract according to the just cause provisions.

Terry Peterson, President of Local 3535, Council 79, read from the Magistrate's recommendation. She asked the Commission to rule in favor of the Magistrate's recommendations and also not eliminate the DROP.

Larry Nadeau, Vice-President of Local 3535, Council 79, addressed prior concessions made by the Union and the cost savings provided to the City. He questioned if the City received a letter from the insurance company pertaining to a rebate check. Mr. Nadeau noted the City cannot afford performance evaluations and COLAs.

Attorney Hanson noted the Union is not in agreement on the DROP because the proposal is not detailed; it does not provide the costs nor address people who are currently in it. Ending the DROP today cannot be done without input from the Pension Board.

Attorney Cherof acknowledged that concessions were made six years ago, however, now we need to tighten our belts because of today's economy. He suggested the Union's recommendations were not fair, noting the Magistrate recommended eliminating the DROP and the City Manager and Union agreed to this.

Attorney Cherof described the process going forward in that those issues resolved tonight will be plugged into a written contract, which will be submitted to the employees for ratification and to the Commission for approval. Pension reform will be by ordinance, and will include an analysis by an actuary and detailed language on how it will be done.

City Manager Baldwin noted this is not a personal issue as the employees are the lifeblood of the City government. He is trying to create financial stability; it is now the Commission's decision to do what is best for the taxpayers and employees of the City. The budget, built around the proposed millage rate, includes the City Manager's recommendations concerning this particular hearing. The Commission will set the proposed millage rate later tonight and should ensure it is not set too low.

3.3 Public Hearing – Comments by the Public

Robert Chunn, 118 Phippen Road, spoke in support of the employees. He felt they deserve to be treated with respect and it is time for the Commission to do the right thing.

Darren Green, City employee, noted the employees have one job title, but unlike employees in other cities, perform more than one job. He asked the Commission to vote with integrity.

Corinne Lajoie, City Planner, noted she is not an eligible union employee nor is she management; she is considered a veteran employee and is in the old pension, but does not get four weeks of vacation. She said accruals are a set of benefits agreed upon and have been earned, and felt changing them from today going forward may be acceptable, but that going back is not.

Roxanne Knight spoke in support of the employees, noting what they have is theirs and should not be taken away.

Louis Brown, City employee, commented he has been here since 1987 and has never received a 5% increase. He said he has worked outside of his classification, his wages were capped long ago, and therefore he receives no more raises. He questioned the fairness of eliminating the DROP as he has five more years until retirement.

Craig Urbine, 1211 Stirling Road, addressed the employee time off benefit as compared to the private sector. He agreed with the employees on this benefit as it would be unfair to take away something they have already earned.

Ahmad Thomas, City employee, questioned what happened to Dania Beach as it is not what it used to be.

Nick Lupo, Code Compliance Manager, commented he is in the same category as Ms. Lajoie, and noted how many hats he wears and has not taken any sick days since he started.

Anthony Johnson, 25 year employee, asked the Commission to be fair.

Don Hanson, 32 year employee, said he will retire in 58 days and it would be unfair to lose his accruals at this time.

Thomas Heavey, 4403 SW 24th Avenue, noted the Commission has a difficult decision to make tonight. He spoke in favor of the employees and letting them enjoy the benefits they were offered when they started.

3.4 City Commission Deliberations and Resolution of Impasse Issues

Commissioner Grace addressed her “loyal employees of the City”, noting we have a network of loyal, dedicated employees second to none. She wants them to have the same insurance caveats she received from her employer and does not want the budget to be at the expense of the

employees or the taxpayers. Commissioner Grace said she is on both sides, she is a person of compassion, and will vote with the employees tonight.

Commissioner Duke noted this is a balancing act between the rights and fair treatment of the employees. As elected officials, the Commission is concerned with the long-term financial viability of the City, particularly with regard to health and pension costs, and of the employees. He would like the Commission to avoid taking away existing benefits and prefers to transition some of these items into our budget.

Vice-Mayor McElyea noted he is pro-union, the employees deserve anything that was promised, and he will support the employees if he can.

Mayor Flury agreed with the Commissioners' comments.

Insurance

Commission discussion ensued.

Commissioner Castro motioned to approve a 10% employee contribution with the City consulting with the Union on the level of benefits, implementing a corporate wellness program, and new retirees will contribute 50% toward insurance with a 100% contribution when the retiree becomes Medicare eligible; seconded by Commissioner Grace. The motion carried on the following 5-0 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Pension Plan Reform

Commission discussion ensued.

Commissioner Castro motioned to eliminate DROP effective the final day of this contract (September 30, 2013); seconded by Commissioner Duke. The motion carried on the following 4-1 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | No | | |

Commission discussion ensued.

Commissioner Duke motioned to accept the Magistrate's recommendations to keep the status quo for Pension Plan Reform Items #1 and #3; seconded by Commissioner Grace. The motion carried on the following 3-2 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | No | Vice-Mayor McElyea | No |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Annual Leave

Commission discussion ensued.

Commissioner Castro motioned to eliminate the safety day and personal days. Motion died for lack of a second.

Commissioner Castro motioned to eliminate two of the total of four safety and personal days. Motion died for lack of a second.

Further discussion ensued regarding the current total number of days of leave per year.

Commissioner Castro motioned to keep the status quo on annual leave accrual; seconded by Commissioner Grace. The motion carried on the following 3-2 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | No | Vice-Mayor McElyea | No |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Accruals

Commissioner Grace motioned to keep the status quo. Motion died for lack of a second.

Commission discussion ensued.

Commissioner Castro motioned to reject the City Manager’s recommendation “to keep the maximum accrual of sick time at 480 hours, but end annual payout of sick time that is above the maximum accrual of 480 hours”; seconded by Commissioner Grace. The motion carried on the following 5-0 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Commissioner Castro motioned to cap sick leave payout for new employees when employee resigns or retires to 50% of accrued sick leave; seconded by Commissioner Duke. The motion carried on the following 4-1 Roll Call vote:

| | | | |
|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | Yes | Vice-Mayor McElyea | No |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Safety Day

Commissioner Castro motioned to eliminate the safety day. Motion died for lack of a second.

Employees Charged with Felony

Commissioner Castro motioned to agree to the City Manager's recommendation that an employee charged with a felony against the City, the taxpayers, or a co-worker, will be suspended without pay and if later exonerated or the charges dropped, the employee will earn that pay back as well as their time off; seconded by Vice-Mayor McElyea. The motion carried on the following 4-1 Roll Call vote:

| | | | |
|---------------------|-----|--------------------|-----|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | No | | |

Wages

Commission discussion ensued.

Commissioner Castro motioned to end COLA effective September 30, 2012; seconded by Commissioner Grace. The motion carried on the following 5-0 Roll Call vote:

| | | | |
|---------------------|-----|--------------------|-----|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Commissioner Castro motioned to approve a 2.5% wage increase effective October 1, 2012; seconded by Commissioner Grace. The motion carried on the following 5-0 Roll Call vote:

| | | | |
|---------------------|-----|--------------------|-----|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Hours of Work and Overtime

Commissioner Castro motioned to approve flex time with advance approval from the department manager, provided it is not done on a daily basis and does not impact the workflow; seconded by Commissioner Grace. The motion carried on the following 5-0 Roll Call vote:

| | | | |
|---------------------|-----|--------------------|-----|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

Term of Agreement

Commissioner Castro motioned that the Agreement will end on September 30, 2013; seconded by Commissioner Duke. The motion carried on the following 5-0 Roll Call vote:

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|----------------------------|------------|---------------------------|------------|
| Commissioner Castro | Yes | Vice-Mayor McElyea | Yes |
| Commissioner Duke | Yes | Mayor Flury | Yes |
| Commissioner Grace | Yes | | |

4. Adjournment

Mayor Flury adjourned the meeting at 8:29 p.m.

ATTEST:

CITY OF DANIA BEACH



LOUISE STILSON, CMC
CITY CLERK


PATRICIA A. FLURY
MAYOR

Approved: August 14, 2012

