



City Council
Work Session Agenda
January 10, 2011
7:00 p.m.

Presentation:

1. Samaritan Medical Center – Senior Housing Campus-
Thomas H. Carman, President & CEO
Rick Tague, Bernier, Carr & Associates
Peter Clough, Bernier, Carr & Associates

Discussion Items:

1. Employee Assistance Program (EAP) Service Update - memorandum from City Manager Mary M. Corriveau, January 7, 2011
2. 2012 Retirement System Contribution – memorandum from City Comptroller James E. Mills, January 5, 2011

Reports:

1. City Manager Update Report January 2011

Executive Session:

1. Employment History of Particular Individuals

January 7, 2011

To: The Honorable Mayor and City Council
From: Mary M. Corriveau, City Manager
Subject: Employee Assistance Program (EAP) Service Update

Effective March 1, 2010, the City Council authorized an Agreement between the City of Watertown and the Northern Employee Assistance Services (NEAS) for the provision of EAP services. Attached is a report of services provided under the terms of this contract between March 1, 2010 and December 31, 2010. With the high level of participation in the orientation session and communications throughout the past nine months from NEAS, City employees have become better informed of the services available under this program and have utilized those services to a greater extent than in previous years. As you can from the attached report, sixteen (16) employees and seven (7) family members accessed services rendered by NEAS during this term, that represents 9.38% of those who attended the orientation sessions.

As I indicated last year, I believe that an effective EAP is crucial to our operation and is an effective and supportive management tool aimed at helping employees develop healthy behaviors at home and at work. EAP's are designed to assist employees and their families with difficult economic issues such as home ownership, bankruptcy, financial difficulties, stresses at home and in the workplace, etc. When situations like these are occurring, they end up carrying over into every aspect of an employee's life, which ultimately affects work productivity, behavior and the overall health and well being of our employees.

It is my desire to begin discussions with Northern Employee Assistance Services about a new Agreement. I would ask that the City Council review the attached report submitted by NEAS so that we can discuss this matter Monday evening.

N O R T H E R N EMPLOYEE ASSISTANCE S E R V I C E S

The Marcy Building • 167 Polk Street, Suite 320 • Watertown, NY 13601

Telephone: (315) 788-4790

Fax: (315) 788-4922

CITY OF WATERTOWN

2010 COMPANY REPORT	QTR 1	QTR 2	QTR 3	QTR 4	YTD
OVERALL STATISTICS					
New Clients	4	7	7	5	23
Client Contacts	8	16	12	8	44
Phone Contacts	0	9	10	3	22
Orientation/Training Attendance	51	100	70	24	245
Benefits Fair	0	0	0	0	0
NEW CLIENT DATA ONLY					
Employees Assisted	3	6	4	3	16
Family Members Assisted	1	1	3	2	7
HOW EAP WAS ACCESSED					
Voluntary Self Referral	3	5	2	2	12
Family Member	1	1	3	2	7
Supervisor	0	1	2	1	4
Co-Worker/School	0	0	0	0	0
SOURCE OF AWARENESS					
Poster	0	0	0	0	0
Pamphlet	0	0	0	1	1
Orientation	0	3	0	1	4
Co-Worker/School	3	1	3	1	8
Supervisor	0	3	2	1	6
Family Member/Friend	1	0	2	1	4
Wallet Card	0	0	0	0	0
PROBLEM AREA					
Alcohol Use	2	0	0	0	2
Drug Use	0	0	0	1	1
Alcohol/Drug use in family	0	0	0	0	0
Mental/Emotional	0	2	2	2	6
Financial	0	0	0	0	0
Job/School	1	0	2	1	4
Family/Relationship	1	5	3	1	10
Legal	0	0	0	0	0
ASSESSMENTS/RESULTS					
Formal Referral	0	0	0	0	0
Handled by EAP Staff	4	7	7	5	23

January 5, 2011

To: The Honorable Mayor and City Council
 From: James E. Mills, City Comptroller
 Subject: 2012 Retirement System Contribution

The NYS Retirement System has issued the City's 2012 estimated retirement system contribution amounts which represent an increase of \$887,350 or a 39% increase over the current fiscal year's contribution. A history of the recent annual payments including the 2012 estimate is presented below. The retirement rates applied to salaries in order to determine the City's contribution to the Police and Fire Retirement System will increase from 16.8% of salaries for the current year's contribution to 20.9% of salaries for next year's contribution. The retirement rates applied to Tier 4 salaries in order to determine the City's contribution to the Employees will increase from 11.3% of salaries for the current year's contribution to 15.8% of salaries for next year's contribution.

Contributions	12/15/2006 Payment	12/15/2007 Payment	2/15/2009 Payment	12/15/2009 Payment	12/15/2010 Payment	12/15/2011 Estimated Payment
Employees' Retirement System (ERS)	\$762,350	\$ 737,283	\$ 635,943	\$ 618,718	\$ 921,798	\$1,355,633
Police and Fire Retirement System (PFRS)	\$1,133,628	\$ 1,094,456	\$ 1,365,509	\$ 1,127,720	\$ 1,367,396	\$1,820,910
Total	\$1,895,978	\$1,831,739	\$ 2,001,452	\$ 1,746,438	\$ 2,289,194	\$3,176,543
Rates						
ERS Tier 4 Rate	9.8%	8.9%	8.0%	7.0%	11.3%	15.8%
ERS Tier 5 Rate	N/A	N/A	N/A	N/A	9.1%	12.7%
PFRS – 384d Plan	15.0%	14.7%	14.5%	13.8%	16.8%	20.9%

The City typically elects to prepay the annual retirement contributions on December 15th rather than pay on the February 1st due date to take advantage of a nearly 1% discount. This year's prepayment resulted in a savings of \$22,130. The above 2012 estimates are based on the City pre-paying the contribution on December 15, 2011 to save \$28,846.

For budgeting purposes the City applies a blended retirement rate to budgeted salaries calculated as 75% of the established rates set by the NYS Retirement System for the City's next contribution and 25% of an estimated rate based upon historical information and

discussions with the NYS Retirement System. A blended rate is used to account for the fact that the salaries earned by City employees between April 1st and June 30th of each year are in the State's next fiscal year for which a rate has not yet been established. In terms of the 2010-11 budget the City used 75% of 11.3% and 25% of 15.3% to result in a blended rate of 12.3% for Tier 4 employees. Now that the 2012 rates have been established the rate that should have been used for the 25% portion is 15.8% which calculates as a blended rate of 12.43%. For police and fire employees the City used 75% of 16.8% and 25% of 20.8% to result in a blended rate of 17.8% for Tier 4 ERS employees. The 2012 rates for PFRS indicate that the rate that should have been used for the 25% portion is 20.9% which calculates as a blended rate of 17.83%.

The City prepares a multi-year fiscal plan as part of its annual budget which includes assumptions on projected retirement rates. Based upon the most recently issued rates by the NYS Retirement System the rates used in the FY 2010-11 multi-year fiscal plan did not increase as much as the data would now support. The retirement rates for the FY 2011-12 budget will probably be about 2% higher than what was projected in the FY2010-11 budget's multi-year plan. As part of the budget process each year we will be revising our projections based upon discussions with the NYS Retirement System on where they feel rates are heading.

Rates	12/15/2011 Rates	FY 2011-12 Projected Rates	FY 2012-13 Projected Rates	FY 2013-14 Projected Rates	FY 2014-15 Projected Rates
ERS Tier 4 Rate	15.3%	14.0%	16.0%	18.0%	20.0%
PFRS – 384d Plan	20.9%	20.0%	23.0%	25.0%	27.0%