



OFFICE OF THE CLERK/TREASURER

City of Burlington

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October 01, 2013

To: Payroll
City Council

From: Bob Rusten, Chief Administrative Officer

Re: Notice of Employee Contribution toward Health Insurance – Non-Bargaining

Over the last four years the cost of the City's medical insurance program has increased by over \$2,000,000. During this same time the non-union employee contribution rate has not increased. This memo serves to direct payroll and notify the City Council that beginning on the full pay period beginning October 14 the employee contribution toward City sponsored health insurance for all non-bargaining employees will increase from 3% to 3.61% of an employee's base wage. The 3.61% contribution equates to that being assessed to participating, full-time AFSCME represented employees.

Per Resolution #12 of the City Council adopted August 10, 2009, the City Council authorized "a variable percent of wages and salary based upon increases in total costs [of the City's health plan] . . . to be further defined for implementation upon completion of collective bargaining". The City has recently resolved the last remaining collective bargaining agreement (IBEW) open at the time of passage of this Resolution and, as such, is now implementing the variable percent of wages and salary provision of the Resolution.

We will also be notifying non-unionized employees of the new rate.

C: Susan Leonard, Director of Human Resources

