

**PERSONNEL COMMITTEE MINUTES
THURSDAY, MARCH 24, 2016 – 4:00 P.M.
CITY HALL, CONFERENCE ROOM 2A**

Meeting was called to order by Alderman Hedlund at 4:00 p.m.

Roll Call Present: Alderman Hedlund, Wall and Kupsik
Absent: Alderman Chappell and Hill
Also Present: City Administrator Oborn and City Clerk Waswo

Comments from the public limited to 5 minutes - None

Wall/Kupsik motion to approve Personnel Committee minutes for February 25, 2016, as prepared and distributed.
Motion carried 3 to 0.

Discussion/Recommendation on Compensation Policy

Administrator Oborn gave a brief overview of the Compensation policy and stated that its purpose is to keep wages competitive. Position Classification Plan (state program) score is put into the grade and the City would like to continue to do this. Individuals were upgraded intuitively and then Administrator Oborn will have to go back and increase their scoring which is not uncommon to back into things. Pay Rate will reflect two things, a Cost of Living (COL) increase and a Performance Based increase. Likely in January there will be a recommendation to the Personnel & Finance Committees for a 1% COL increase (probably annually) to be added to the budget. This will keep the wage scale from going down. The purpose of the wage scale is to stay competitive and if you don't bring up the wage scale as inflation hits then you have lost that competitiveness and then you are back to where you are without a study. The Performance Based increase is how much individual's increase within the 30% minimum and maximum slide in that grade. It could be 3% or you could decide to do 5%. Oborn stated his recommendation would likely be 3%. The performance evaluations will be done annually in November. If you receive a "needs improvement" you would not get any performance increase, only the COL increase. Every year the City will determine/evaluate whether to have or not have a COL increase and whether to have or not have a Performance Based increase. You can have both or just one and not the other as it is a flexible system.

Performance Based increases are broken into two classifications, management and technical. In the Management classification the increase is based on the score received. (Satisfactory rating = 40% of performance increase, Very Good rating = 70% of performance increase and Excellent rating = 100% of performance increase.) Employees whose base rate has reached the maximum rate for their respected position shall be eligible to receive a performance bonus. The criteria for a performance bonus shall be the same as established for performance adjustments above. The performance bonus shall be justified by a one-time payment that does not increase the employee's base rate. Hedlund clarified that this is not a one-time payment, it is a one-time base pay adjustment for a one year period and then the following year the base pay would revert to the previous base rate or be adjusted again based on the new performance evaluation. This is the incentive for individuals at the maximum rate.

Technical staff, generally your hourly/non-management staff, has two different ways to receive an increase. They will get 100% of the performance increase if they are above a Satisfactory rating and if their wage is below the mid scale range. The idea is to get everyone to the mid scale range. Anything above the mid scale range they have to be based upon meeting the three criteria and then it is pro-rated based upon their performance. (Satisfactory rating = 40% of performance increase, Very Good rating = 70% of performance increase and Excellent rating = 100% of performance increase.) You can do the Management and Technical classifications the same if you would like. In reviewing other municipalities most differentiate between the two. It was clarified that non-management hourly individual or supervisors would fall under the Technical classification. Alderman Kupsik stated that he would like to see a program that is going to function equally for all individuals involved when it comes time for a wage increase. In January the supervisors/management will estimate what they are going to give even though they don't give the evaluations until November, you have to have the numbers in the budget.

Oborn confirmed to Hedlund that there are a lot of manager/supervisory positions that are below the mid scale range. The motion was made to do this in a 2 year interval and so many were set to the mid Mid scale range. That is why there is a

special adjustment clause so that if you would like to special adjust it to the market rate or mid range rate you can. There was discussion to apply the step advance to encourage them to get to the Mid scale range. Wall did not agree, he liked the way things were already. Kupsik clarified that management positions are salaried and those ranges are not going to change to fall below current rates or much above them. Oborn stated that when they were implemented a 30% spread in that grade was created. Each grade has a 6% increase from each other and then you have a 30% spread there. The market rate is typically the mid and that is the ideal range. Anything above that should be based upon performance. Hedlund had concerns that the Management classification would possibly be limiting individuals from getting to the mid range scale that we would like to see everyone at. He also had concerns that it could appear discriminatory and counter productive as far as trying to get our mid Mid managers up to Mid range which is what competition is going to be willing to pay. Kupsik suggested then that Hedlund is asking that #8 be eliminated and #8 be put into #9 with the key being to get everyone into that Mid range position. Hedlund agreed stating it should just be changed to "All Employees" and there should not be two classifications, only one. Kupsik agreed saying then everyone is equal when it comes to a raise. Oborn confirmed that Attorney Draper has not yet reviewed the paperwork. Oborn clarified the option for first year individuals, that on January 1 it would pro rate to their anniversary date. There is an option listed for special adjustments and elected officials and attorney would just get the COL increase.

Kupsik/Hedlund motion to instruct staff to make the changes that were discussed and have the City Attorney look it over and send the recommendation to council for approval. Motion carried 2 to 1 with Alderman Wall voting "no."

Discussion/Recommendation on Springsted final payment for Compensation Study

Oborn stated that they have sent some invoices and final payment due is \$6,925. Oborn calculated that they didn't give us the three city item which was to include Lake Geneva, Delavan and Elkhorn as per the original agreement. There was discussion regarding the remaining items that Springsted needs to supply to the City. Oborn stated he received the Springsted training – class #2 today. Additional items are to be provided tomorrow. Payment will be held off until all items of contract have been completed and received.

Kupsik/Hedlund motion to pay Springsted \$4,600 contingent upon all items of contract being completed and received. Motion carried 3 to 0.

Discussion/Recommendation on filling two vacancies in Public Works

Administrator Oborn gave a brief overview of the two vacancies coming to the Street Department due to pending retirements. Duane Baerbock will retire on May 1, 2016 and Richard Bergman on September 30, 2016. There was discussion regarding the need for some flexibility in the new hires and their skill set requirements and start dates for training.

Kupsik/Hedlund motion to allow flexibility in the hiring of the two open positions in the Street Department. Motion carried 3 to 0.

Discussion/Update on filling vacancy in City Hall

Administrator Oborn gave a brief overview of the part-time front counter vacancy. Oborn requested some flexibility for recruiting for the position with the possibility of bringing back a previous employee. He also updated the committee on the three month maternity FMLA leave that is in effect for the Assistant Clerk position. They will be hiring a former clerk from Silver Lake for the temporary position.

Discussion/Recommendation on Evaluation Process for City Administrator and Department Heads

Administrator Oborn stated that an extension was needed for the evaluations that were to be done by March 31st. He also noted that the City Clerk would not be a part of that group as the position was already evaluated and would wait until November to evaluate again. Oborn also reviewed the evaluation would consist of two goals, upcoming goals and the grading of your past goals.

Kupsik/Wall motion to approve the evaluation form and have the evaluations completed by the 1st week of May. Motion carried 3 to 0.

Discussion/Recommendation on creation of Street Seasonal Lead position

Administrator Oborn gave a brief overview of the request to create a Lead position for an existing Seasonal Street Dept. employee that for several years has come back and trains the incoming part time mowers etc. They would be at a grade 1 which is the same as the Beach Supervisor.

Hedlund/Kupsik motion to recommend the creation of a Street Seasonal Lead position at a grade level 1.
Motion carried 3 to 0.

Wall/Hedlund motion to adjourn at 4:52 pm. Motion carried 3 to 0.

/s/ Jackie Gregoles, Building & Zoning Administrative Assistant

THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE PERSONNEL COMMITTEE