

SPECIAL PERSONNEL COMMITTEE MINUTES

THURSDAY, JULY 2, 2015 – 4:00 P.M.

CITY HALL, MEETING ROOM 2A

Meeting was called to order by Alderman Hedlund at 4:05 p.m.

Roll Call. Present: Alderman Hedlund, Chappell, Kupsik, and Wall. Alderman Hill arrived at 4:07 pm. Also Present: Mayor Connors, City Administrator Oborn, City Attorney Draper, Comptroller Pollitt, Police Chief Rasmussen, Lt. Gritzner, Director of Public Works Winkler, Cindy Borkhuis and City Clerk Waswo. Other in Attendance: Chris Schultz, Lake Geneva Regional News.

Comments from the public limited to 5 minutes.

Dan Winkler, Director of Public Works stated if the committee is including the Utility employees in the compensation study with the Utility paying for it, he requested they forward it to the Utility Commission for action.

Approval of Personnel Committee minutes for June 18, 2015, as prepared and distributed.

Wall/Chappell motion to approve. Unanimously carried.

Discussion/Recommendation on Compensation and Classification Study, including wage scale increase, adding Utility Commission employees to study and related steps for implementation

City Administrator Oborn presented the Compensation and Classification wage scale with increase options of 2% and 3%. As the scale will be implemented in 2016, he recommended the council choose one of the options to adjust for cost of living increases. The scale would be the baseline for implementation and reviewing job descriptions. Alderman Hill was concerned about using the wage study without employee input. Mr. Oborn stated the employee classifications are preliminary. When doing the actual grade evaluations, the committee can decide if they want to use Springsted's recommendation or not. The study allows the committee to use a pay scale or range as a baseline versus the current stagnant salary. Mr. Oborn will be speaking with department heads regarding employee classifications. He will then bring the information back to the committee for final approval.

Hill/Wall motion to recommend the 2% increase pay scale option for the 2016 pay scale. Unanimously carried.

Hill/Kupsik motion to include the Utility Commission in the compensation study to provide parity and transparency.

Mr. Oborn presented the proposal from Springsted to include the Utility Commission. Alderman Kupsik asked why the Utility Commission was not included in the first study. Ms. Hill stated they opted out. Mr. Kupsik questioned why they would opt out of the study. Director of Public Works Winkler stated the Utility Commission conducts their own evaluations every year. He stated as the commission is an independent arm of the City, it isn't important to them what they pay their employees relative to other City employees. What is important is what they pay their employees relative to another operator down the road. For that reason, they opted to not participate in the study. Mr. Kupsik said the City decided to do a compensation study for the entire City and was concerned as to why the Utility Commission would opt out as they are no different than the Police Department or any other department in the City. He stated he would feel more comfortable including the Utility. Alderman Chappell stated the City is working towards performance based raises and questioned if the Utility will do the same for their employees. Mr. Winkler stated he has not seen performance based raises being successful in the public sector as all wages are public record. Unanimously carried.

Discussion/Recommendation on approval of payment for services rendered by Springsted Inc.

City Administrator Oborn explained the pending items in regards to the study. He recommended paying \$9,250 for the delivery of the plan plus travel expenses. He spoke with Ann Antonsen regarding this amount and she agreed this was fair. He estimated a remaining balance of \$7,250; and stated the balance will give Springsted an incentive to complete the outstanding items. Ms. Hill questioned why they would pay for another contract for the Utility Commission to complete the study. Mr. Kupsik agreed as the study was supposed to be for all employees in the City of Lake Geneva. Springsted would still charge the City whether or not the Utility Commission stayed in or opted out of the study. Mr. Oborn stated he did not see the Utility Commission in the position numbers or the classifications. Ms. Hill commented the study was all-inclusive and if they have to submit additional monies due to Springsted to incorporate the Utility, the Utility better pay

for it. Mr. Oborn stated it appeared they were not included in the RFP, however, he will check in the agreement to see if they were specifically included or excluded.

Kupsik/Hill motion to recommend payment of \$9,250 to Springsted. Alderman Kupsik requested a copy of Springsted's contract be provided to the council. Alderman Hill questioned if the budget line item moved over from last year. Comptroller Pollitt stated it did not as they thought it would have been paid by the end of last year. The money would have to come from contingency through a budget resolution. Motion carried 3 to 2 with Alderman Wall and Chappell voting "no."

Discussion/Recommendation on approving agreement with Labyrinth HealthCare Group for the Patient Care health benefit and rewards program

Comptroller Pollitt explained the Patient Care program. She stated council spoke favorably of the program; however, there was never formal action on the item. If approved, the program will start August 1. The consultants have recommended they also adopt the incentive portion that rewards employees that go to a cheaper alternative. The employee would recoup 20% of the savings per event as taxable income on their paycheck. Ms. Pollitt stated the company is a health advocate. They help employees find a doctor, make appointments and provide assistance when a claim is not being paid. Ms. Pollitt stated it gives the employees someone they can call to help them navigate the health system. The cost is \$4.50 per employee with about 78 covered employees and retirees on the plan. Ms. Pollitt stated the company has said their data shows that the program pays for itself by the savings in the plan. Alderman Hill asked if this would be coming out of the same budget line item as the Stop Loss, which Ms. Pollitt confirmed.

Hill/Chappell motion to recommend approval of Patient Care with Labyrinth HealthCare Group including the incentive program contingent on City Attorney review and approval of the contract. Unanimously carried.

Closed Session

Hill/Chappell motion to go into Closed Session pursuant to Wis. Stat. 19.85 (1)(g) conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved and pursuant to Wis. Stat. 19.85(1)(e) for purposes of conducting other specified public business, whenever competitive bargaining reasons require a closed session concerning a Police Department Union grievance (City Attorney Draper) allowing Mayor Connors, City Attorney Draper, Comptroller Pollitt, and City Administrator Oborn to come into closed session.

Roll Call: Hedlund, Wall, Hill, Chappell and Kupsik voted "yes." Unanimously carried.

The Council entered into closed session at 4:55 p.m.

Return to Open Session

Hill/Chappell motion to return to open session pursuant to Wisconsin Statutes 19.85 (2) and take action on any items discussed in closed session

Roll Call: Hedlund, Wall, Hill, Chappell and Kupsik voted "yes." Unanimously carried.

The Council reconvened in open session at 5:08 p.m.

Hill/Wall motion to instruct City Attorney to proceed as discussed in closed session.

Roll Call: Hedlund, Wall, Hill, Chappell and Kupsik voted "yes." Unanimously carried.

Adjournment

Hill/Chappell motion to adjourn at 5:10 p.m. Unanimously carried.

/s/ Sabrina Waswo, City Clerk

THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE PERSONNEL COMMITTEE