

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION**

DATE/TIME: December 3, 2013 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, D. Nutting, D. Oberbeck
MEMBERS ABSENT: B. Nagle
Also Present: Mayor Tipple, M. Barnes, D. Bohn, P. Czarapata, D. Erickson, N. Giese, B. Graham, A. Jacobson, M. Lawrence, M. Loy, B. Marquardt, M. Pauls

Public Comment on Matters Appearing on the Agenda. No public comment made.

Update of Progress of Grant Funded Police Officer Positions (Presentation by Lieutenant M. Barnes).

Barnes presented an overview of the Community Resource Unit's roll for the Wausau Police Department. The Community Resource Officers focus mainly on nuisance issues and drug enforcement. There are currently two CROs. Since June, 874 police response letters have been sent to landlords. The CROs indicated that the landlords are often not aware of tenant issues, only property issues. Wagner asked if landlords are willing to work with the Police Department when they receive these letters; Officer Graham said that over 90% are willing to help. The CROs have uncovered evidence that has led to 103 arrests, 90 misdemeanors, 66 felonies, 41 arrest warrants, and 26 probation violations. The Police Department plans to add an addition CRO and 2 CSOs (to help with inspection/property issues) in 2014.

Approval of 11/11/2013 minutes. Motion by Oberbeck, second by Nutting to approve the November 11, 2013 draft minutes. All ayes. Motion passes unanimously.

Review Wage Study Results and Process. Loy reminded the committee that they have previously reviewed the process and tools WIPFLI used in developing their recommendations for the new pay plan. Loy asked if the committee had any additional questions on the document or process. The committee was satisfied with previous discussion of the topic and had no further questions.

Amendments to Chapter 5 – Compensation of the Employee Handbook. Loy proposed complete revision of Chapter 5 – Compensation of the Employee Handbook with two additional changes since it was first published in the study document. The first change is in the language for merit increases to accurately reflect how the amount of a merit increase will be calculated. Initially the verbiage stated that a merit increase would be applied by taking the employee's current rate of pay, identifying which quintile that rate of pay is in, and then multiplying the midpoint of the salary range by the percentage increase based on the employee's level of performance. The proposed change is to state that a merit increase will be applied by taking the employee's current rate of pay, identifying which quintile that rate of pay is in, and then multiplying the current rate by the percentage increase established in the annual merit increase decision worksheet based on the employee's level of performance. The committee had no comments regarding this change of language.

The second proposed change is to the section on redlining. Initially, this section said that any employee whose salary is above the maximum pay rate in the pay grade established for their job would have their pay rate frozen until market adjustments brought their current salary within the established salary ranges. The proposed change allows for any employee who is at or above the maximum rate to be eligible to receive "any portion of any pay increase that exceeds the salary range maximum rate as a lump sum payment to be paid at the time of the adjustment. The lump sum payment would be calculated by taking the hourly rate that exceeds the salary range maximum rate and multiplying it by the annual hours for the position (usually 2080 hours)." Loy explained that this would continue to provide incentive to those who are at or above the maximum for their pay range without further compounding the problem. Over the course of time these employees should be brought back into the pay range as inflation adjustments to the salary ranges occur. Wagner asked if there is a certain group or departments

with positions at or above the maximum of their pay range. Loy stated that there is no discernible trend or pattern throughout the organization as to where these positions are. Oberbeck questioned why the organization would continue to give pay increases to an employee who is at or above the top of their pay range. Loy said that all employees should have an incentive to perform well, and if you take away the possibility of receiving any type of incentive, you may be taking away an employee's drive to keep performing. Wagner asked if redlining will eventually go away, or is it something that the organization will always have issues with. Loy responded that redlining should be a short term issue. However, he said there may always be the possibility of it occurring in the future as an exception, especially with high performers, but it should not be the norm. Wagner said he believes this adds value to the system and doesn't see any issues if it is something that the organization will grow out of. Nutting agreed. Mayor Tipple asked if the redlining is a symptom of the current salary structure. Loy said yes, that not all jobs excel at the same rate in the job market. The current system has adjusted all positions at the same rate, leading to some positions being underpaid, and some positions being overpaid according to the current market rates. Loy went on to discuss the new pay for performance system and how this will enable department heads to focus on performance of employees rather than the dollar amount of raises. Oberbeck said he would like more information on what "exceptional" means in terms of employee performance presented to the committee. Loy said the best thing that can come out of this new system is for managers to have expanded conversations with their employees about their performance and the overall quality of the City's job descriptions. Oberbeck said that he envisions an exceptional employee as one that is helping to move the organization forward. Motion by Oberbeck to approve the amendments to Chapter 5 – Compensation of the Employee Handbook. Second by Nutting. All ayes. Motion passes unanimously.

Implementation of New Pay Plan Salary Ranges. Loy reviewed with the committee the steps that were taken to create the new pay plan salary ranges, and stated that employees had questions and concerns when they received the Wage Comparability Study. Loy created an electronic survey for employees and received over 100 responses. The responses indicated that some employees felt that they were graded too low on the internal equity piece of the study, and secondly, employees wanted to know who they were compared to. Because WIPFLI used public and private sector market rates, the information of who employees were compared with is not available; private sector company information remains anonymous and the public sector data is mixed in. After reviewing all of the submitted surveys, Loy sat down with department heads and went over the survey's feedback. Upon completion of these meetings, some positions were placed in a higher grade due to factors that were not considered by WIPFLI and were unique to our organization. Loy proceeded to review the cost drivers associated with the plan's implementation as outlined in the memo provided to the committee. Wagner questioned how the appeal's process would be conducted. Loy stated that he would like the HR Committee to be involved in the appeal's process. Loy would provide the committee with all the documentation needed to make informed decisions. Oberbeck said the committee should be focusing on voting on the implementation, not the specifics of the plan. Mayor Tipple stated that reclassification requests have been handled by the HR Committee the past several years because the HR staff was not in a position to make those decisions. However, Tipple feels that the HR department can now handle and issues, including appeals that may come about in the new system. Wagner said he trusts the HR department to take care of placement decision within the structure and any appeals process and that would not be a role of the HR Committee. Motion by Nutting to approve the implementation of the new pay plan salary ranges as amended by the HR Director. Second by Oberbeck. All ayes. Motion passes unanimously.

Future Agenda Items for Consideration. Wagner asked that a study be done within the next year to look at different forms of city government. Tipple said that after the last discussion of this issue, it was proposed by the HR Committee to take it to the Committee of the Whole.

Adjourn. Motion by Wagner to adjourn. Second by Oberbeck. All ayes. Motion passes unanimously. Committee adjourned.