

DRAFT

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

DATE/TIME: January 12, 2015 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen
MEMBERS ABSENT:
Also Present: Mayor Tipple, S. Bahr, C. Buckner, N. Giese, J. Hardel, Nora Hertel (Wausau Daily Herald), M. Hite, A. Jacobson, Julia Johnson (WIPFLI), J. Kannenberg, E. Krohn, T. Kujawa, Larry Lee (WSAU), H. Prausa, Deb Ryan (Westies Neighborhood Group), G. Skidmore, K. Winters

Wagner began the Human Resources Committee meeting at 4:30 p.m., indicating that the meeting would be held to one hour in length; any items not covered during this time will appear on the next meeting agenda.

Approval of 12/08/2014 minutes.

Motion by Rasmussen, second by Gisselman to approve the draft minutes from December 8, 2014. All ayes.
Motion passes 5-0.

Public Comment on Matters Appearing on the Agenda.

No public comment made.

CLOSED SESSION pursuant to Section 19.85(1)(e) of the Wisconsin State statutes for bargaining reasons requiring a closed session for the purpose of considering the following:

Wausau Professional Police Association and Wausau Firefighters Association, Local 415 Collective Bargaining.

Motion by Rasmussen to go into closed session, second by Oberbeck. Roll call of Human Resources Committee members was taken to include Wagner, Nagle, Rasmussen, Oberbeck, and Gisselman. (Others present included Mayor Tipple, Hite, Chief Kujawa, Chief Hardel, Jacobson, Kannenberg, Krohn, and Winters.)

Reconvene into Open Session, and Possible Action on Closed Session Item.

Motion by Rasmussen to approve both contracts and forward them to Council for approval contingent upon the unions' final ratifications, second by Gisselman. Motion passes 4-1. (*Nagle was the dissenting vote.*)

Discussion of Pay for Performance System for General Employees (Julia Johnson from WIPFLI). Julia Johnson thanked the committee for inviting her to speak and provide an overview of WIPFLI's work with the City of Wausau. In the fall of 2012 WIPFLI was retained to assist the City in the development of a base compensation structure, to look at fair and competitive pay practices within the City. WIPFLI met with the HR Committee to talk through the approach and to understand the methodology, shared PowerPoint presentation, walking through the steps of the process, and also provided some sample documentation. WIPFLI also provided guidance in terms of who the compensation team might be, making sure that those with knowledge in compensation would be a part of the process. WIPFLI worked with HR team to obtain job descriptions that would be used for a foundation for the analysis; it was understood that job descriptions were up to date and as accurate as possible for the analysis. WIPFLI was asked to do independent internal equity analysis to determine the relative value of each job to every other job within the City to create an internal hierarchy of positions; a draft of the analysis was reviewed by compensation team for review. A comparative ratio analysis was then conducted for all exempt and non-exempt positions (excluding union position) using published wage and salary survey data. WIPFLI met with the HR Committee to discuss results of project and evaluate any positions falling out of the scope and talk through potential strategies for addressing those positions. WIPFLI completed the project in September 2013, and a final report was issued September 20, 2013. The implementation began and Michael Loy

would reach out to WIPFLI periodically for consultation on issues that would come up during the implementation phase, including the transition from an old pay system to a new pay system. WIPFLI was not involved directly after the project was completed in September, however they did respond to questions and helped coach Loy during the implementation phase in an advisory capacity. Rasmussen asked how the City ended up with so many 2% increases so soon after the market analysis was completed. Johnson said she did not know the answer to that question and could only speculate that it was because the City was in a transition period. Rasmussen said she could understand raises if the study was dated, but because it had just been completed, she was under the impression that the new pay for performance system would only reward exceptional performers, not those who were rated as “meets expectations”. Rasmussen also said that she expected no blending of the old and new pay systems. Oberbeck said that they went through all the positions and where they fell according to market, and didn’t understand how a 2% across the board raise was given; the pay for performance was discussed as a one-time stipend, not to be added to the base pay. Oberbeck said he wasn’t sure what has happened because he hasn’t seen any reports or numbers. Hite said that she needs to work with Council to get direction on their compensation philosophy. Hite said that pay for performance systems will typically have the flexibility of giving one-time stipends, aging your market, sometimes giving percentage increases that impact your base, etc., and she will need to work with Council to understand their compensation philosophy. Oberbeck said that this was all discussed and that the pay for performance was to be for the year but not added to the base. Winters questioned Johnson on the types of raises, to which Johnson explained different merit systems and how the City needs to decide what their compensation philosophy will be. Winters questioned Johnson about a chart Hite provided to the committee; Johnson said she could not speak to the chart since it was not created by WIPFLI. Winters asked what the compensation philosophy is of the City. Hite spoke to the Employee Handbook chapter 5 handout the committee received, which she interpreted as the compensation philosophy of the City. Wagner asked Hite to complete within 30 days a spreadsheet Winters had created regarding compensation to help understand where employees fall with compensation. Oberbeck said that he had wanted to have examples of exceptional performance reviews brought back to the committee when the new system was put into place. Wagner said it’s clear that the committee did not follow up as they had planned, and would like to see the comments for those that were rated exceptional. It was decided that this issue will be revisited in a Committee of the Whole meeting in February.

Discussion of Organizational Efficiency & Effectiveness RFP (Update).

This item was deferred to the next Human Resources Committee meeting.

HR Director’s Report.

a) Public Works Director Recruitment Update: Hite informed the committee that the field was narrowed to two candidates and offer should be going out soon. More will be known later in the week.

Future Agenda Items for Consideration.

- Discussion and update of the Organizational Efficiency and Effectiveness RFP
- Review Pay for Performance plan

Any other items that members may want on the agenda should be brought to Wagner or Hite.

Adjourn.

Motion by Nagle to adjourn. Second by Oberbeck. All ayes. Motion passes 5-0. Meeting adjourned.

Romey Wagner
Human Resources Committee, Chair