



All present are expected to conduct themselves in accordance with our City's Core Values

OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the: **Human Resources Committee**
Date/Time: **Monday, May 11, 2015 at 4:30 p.m.**
Location: City Hall (407 Grant Street) - Board Room 2nd Floor
Members: Romey Wagner (C), Gary Gisselman, Bill Nagle, David Oberbeck, Lisa Rasmussen

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

- 1) Approval of 04/13/15 Minutes
- 2) Public Comment on Matters Appearing on the Agenda
- 3) City of Wausau Electronic Tablet Use Policy/Agreement (Jacobson)
- 4) Discussion and Possible Action on Amending Wausau Municipal Code Section 2.04.020 Common Council, Relating to Term of Alderpersons (Charter Ordinance) (Jacobson)
- 5) Discussion and Possible Action City Engineer Premium Pay
- 6) Discussion and Possible Action New FTE - Public Relations Coordinator and/or Grant Coordinator (Rasmussen and Wagner)
- 7) Discussion and Possible Action on the North Central Wisconsin Public Employer Health Insurance Consortium
- 8) Discussion and Possible Action on Compensation Concept
- 9) **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:
Local 1168 Amalgamated Transit Union, AFL-CIO Collective Bargaining
- 10) Reconvene into Open Session, and Possible Action on Closed Session Item
- 11) HR Director Report
- 12) Future Agenda Items for Consideration
- 13) Adjourn

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 05/06/2015 at 4:00 p.m.

Questions regarding this agenda may be directed to the Human Resources Office (715) 261-6630.

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

It is anticipated that each item listed on the agenda may be discussed, referred, or acted upon unless it is noted in the specific agenda item that no action is contemplated. It is possible that members of, and possibly a quorum of members of other committees of the Common Council of the City of Wausau may be in attendance at the above mentioned meeting to gather information. No action will be taken by any such group at the above mentioned meeting other than the committee specifically referred to in this notice.

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at 407 Grant Street, Wausau WI 54403 or by phone (715) 261-6620.

Other Distribution: Media, Alderpersons, Mayor, Department Heads, City Departments, Union Presidents.

DRAFT

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

DATE/TIME: April 13, 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, P. Czarapata, A. Jacobson, J. Kannenberg, E. Krohn, Raymond Neupert (WSAU), Pat Peckham (City Pages)

Approval of 03/09/2015 minutes.

Motion by Nagle, second by Rasmussen to approve the draft minutes from March 9, 2015. All ayes. Motion passes 5-0.

Public Comment on Matters Appearing on the Agenda.

No public comment made.

Discussion and Possible Action on Reconsideration of Staggered Common Council Terms.

Wagner stated that this topic has been talked about and several council members have wanted to revisit it. Rasmussen said many things were happening when this item first went to council, and after further evaluation of the impact staggered terms, it could create an annual shuffling of board members and committees, and believes that there would be constant campaigning. Additionally Rasmussen said voter fatigue and confusion could occur because of the staggered elections. Oberbeck made a motion to remove the staggered terms for the City of Wausau Common Council members and return to two-year terms. Second by Rasmussen. Mayor Tipple stated that this item was brought up twice in past meetings. Tipple said his major concern is with productivity during the election cycle, stating that typically from November through April, council is reluctant to vote on any controversial items until after elections. Oberbeck said he feels it would be fairer if all council members were elected at the same time. Gisselman asked what has changed since council approved the measure, stating that he, Abitz, and Winters voted against the change in November 2013. Further discussion took place regarding this item. Motion passes 4-1. (*Gissleman was the dissenting vote.*)

Future Agenda Items for Consideration.

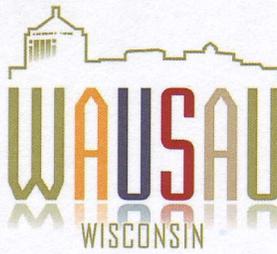
Krohn indicated that Human Resources will be bringing forward the following items in May: Bargaining authority for the transit collective bargaining agreement, compensation plan, and the iPad agreement.

Adjourn.

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

Romey Wagner
Human Resources Committee, Chair

Office of the City Attorney
Anne L. Jacobson, City Attorney
Tara G. Alfonso, Asst. City Attorney



TEL: (715) 261-6590
FAX: (715) 261-6808

Memorandum

From: Anne L. Jacobson, City Attorney *ALJ*
To: Human Resources Committee
Date: April 16, 2015
Re: iPad Use Agreement

Purpose: The City of Wausau has provided the members of City Council and select staff members, use of and access to iPads. These devices are provided in an effort to eliminate the copying of Common Council agendas and other committee agendas.

Facts: The iPads are the property of the City of Wausau and certain guidelines outlined in the Agreement must be followed by the users.

Recommendation: Approval by Committee and Council.

cc: Mayor

CITY OF WAUSAU ELECTRONIC TABLET USE POLICY/AGREEMENT

Purpose

To enhance access to information necessary to make informed decisions and to achieve operational efficiencies, City of Wausau will provide Council and committee information in electronic format. City of Wausau will provide members of the City Council, and select staff members (User) electronic tablet devices (tablets) to retrieve and view this information.

Policy/Agreement

1. Tablets are provided to Users and select staff members by the City of Wausau and are intended for City business. Personal use and applications are permitted as set forth below for the purposes of providing Users with a means to become familiar with the operations of the tablets and to encourage everyday usage. Users are permitted to use the iPad for de minimis personal use – use that is infrequent or occasional and is use that results in little or no actual cost to the City.

De minimis personal use is prohibited if done for personal gain or if such use violates a civil or criminal law.
2. Tablets provided to Users pursuant to this Policy/Agreement will only have access to the City's public Wi-Fi network and will not have access to the City's internal network. As a consequence, they are exempted from restrictions that apply to other City-owned devices.
3. Each person to whom a tablet is provided is the custodian of his own records for Wisconsin Public Record purposes. CCIT archives City email for the statutorily required seven years. Therefore it is strongly recommended that a City email account be used for all City business. A City email account has been created for each User. iPad access to a City email account will be provided during initial training. Those that conduct City business using personal email accounts are responsible for archiving those accounts as required by law.
4. The City/County Information Technology Department (CCIT) will initially load predetermined settings and applications to tablets. These will include:
 - a. Setup for Wi-Fi access using city Public Wi-Fi access.
 - b. Good Reader (or equivalent) application for reading and managing meeting agendas and packets will be installed during initial training.
 - c. Core applications such as Good Reader (or an equivalent) will be centrally managed by CCIT.
 - d. Upgrades to tablet operating systems and core applications may affect any personal information that is stored on the tablet. Applying upgrades will be the responsibility of each User.

5. Training shall be provided to Users initially and as needed or requested.
6. Each User shall/may create an iTunes account. The account may be tied to either a City email address, which is created by CCIT, or a personal email account. Information pertaining to scheduled meetings (i.e., meeting packets) will be available for download to the tablet using the Good Reader application installed by CCIT.
7. Personal use is allowed but backup is the responsibility of the individual User. Any personal information that is stored on the tablets remains subject to Public Records Law. The City of Wausau is not responsible for the loss of personal information while in the process of providing maintenance and upgrades to the tablets operating system or applications.
8. Public wireless connections should be used with caution and should not be considered secure. Extreme caution should be practiced when sending or receiving confidential or sensitive material.
9. Personal applications are allowed but must be properly licensed and managed by personal accounts. The City of Wausau will not reimburse Users for any applications that the User has personally purchased using a credit card, gift card, store card, PayPal or any other method of personal payment. CCIT will not provide support to personal applications.
10. Users may choose to use their own personal electronic devices but CCIT will not provide support. Users who choose not to accept a tablet device of any kind shall be responsible for reproducing City information themselves. All Users will be notified by email thirty days before hard copy service is discontinued.
11. The City of Wausau may, at the request of a User, send a remote wipe signal to that member's tablet if the tablet is lost, stolen or not functioning properly. This will delete all personal data and pictures and all City information.

ACKNOWLEDGMENT

I acknowledge that I have read and understand the City of Wausau Tablet Use Policy/Agreement and agree to follow the guidelines herein.

I understand and agree that the tablet device remains the property of the City of Wausau. At the end of my tenure, the device shall be returned to City/Marathon County CCIT within ten business days or I will be billed for the replacement cost (i.e. retail price for comparable unit).

User's Name: _____

District #: _____

Device Serial #: _____

User's Signature: _____

Date: _____



Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

MEMORANDUM

TO: Members of the Human Resources Committee

FROM: Anne Jacobson, City Attorney

DATE: May 6, 2015

RE: Charter Ordinance Change – Aldermanic Terms – Section 2.04.020

Purpose: To obtain your recommendation to adopt a Charter Ordinance, amending Section 2.04.020 Common Council, relating to term of alderpersons. (See attached proposed amendment)

Background Facts:

- The Human Resources Committee, on November 11, 2013, favored forwarding a recommendation to Council to stagger the current two-year terms of the Council members. The length of the terms would remain two years. However, to begin the cycle, a portion of the Council, would be elected to a term of three years.
- The Common Council, on November 26, 2013, passed Charter Ordinance #23, as Council File #03-0916, which amended Section 2.04.020 of the Wausau Municipal Code, to lengthen the term of half of the Council members to three years, to begin a staggering cycle.
- The Human Resources Committee, on April 13, 2015, recommended adopting a Charter Ordinance, amending Section 2.04.020 and changing the ordinance back to the way it existed before the last amendment, and that was to restore two year terms, all elected at the same time, with terms to commence on the third Tuesday in April.

History:

- The term of office for alderperson was enacted as a Charter Ordinance as Council File #65-0425, on September 14, 1965, and reorganized the Common Council by creating alderman-supervisors from each ward, elected for a term of 2 years, commencing on the 3rd Tuesday of April in the year of their election.
- On August 11, 1987, a Charter Ordinance was approved by Council as File No. 83-0502, amending 2.04.020, to add that a person may file for both the positions of city alderman and county supervisor and be elected to both of those positions.

- On March 16, 2000, the Coordinating Committee met to discuss lengthening or staggering the terms of council members, but no further action was taken.
- On August 26, 2003, the Committee of the Whole discussed re-combining city alderperson and county supervisor position and staggering the terms, and recommended on a 6-4 vote that four-year staggered terms begin effective with the April 2004 election.
- On September 9, 2003, the Common Council failed to pass the measure calling for four year staggered terms.

Discussion:

A charter ordinance means an ordinance that enacts, *amends* or repeals the charter, or any part of the charter, of a city. 66.0101(1m), Wis. Stats.

Under sub. (2), a charter ordinance requires a 2/3's vote of the members of the Council, and is subject to referendum under sub. (5).

Under sub. (3), the charter ordinance must be published as a class I notice, and recorded by the clerk in a permanent book kept for that purpose, and a certified copy filed by the clerk with the secretary of state.

Under sub. (5), a charter ordinance does not take effect until 60 days after its passage and publication.

Options:

- 1) Submit charter ordinance to a referendum under s. 9.20(4) to (6) without initiative petition, and becomes effective when approved by a majority of the electors voting in the referendum. (66.0101(7))
- 2) Fail to approve the proposed amendment.
- 3) Approve the proposed amendment by a 2/3's vote (8), returning to eleven alderpersons, all elected at the same time for a term of two years, to commence on the third Tuesday in April.

Effect: If passed, all members of the Common Council will be elected to two-year terms, commencing the third Tuesday in April, 2016.

ALJ

CHARTER ORDINANCE OF HUMAN RESOURCES COMMITTEE

Amend Section 2.04.020 Common council, relating to term of alderpersons

Committee Action:

Ordinance Number:

Fiscal Impact:

File Number: 03-0916

Date Introduced:

The Common Council of the City of Wausau do ordain as follows:

Add ()

Delete ()

Section 1. That Section 2.04.020 Common council, is hereby amended to read as follows:

2.04.020 Common council. There shall be one city alderperson from each of the eleven aldermanic districts who shall be elected at the regular city election for a term of two years commencing on the third Tuesday of April beginning in 2016 as follows: in the year of his/her election.

(a) — ~~In 2016, the alderpersons representing seats 1, 3, 5, 7, 9 and 11 shall be elected for one 3-year term.~~

(b) — ~~In 2016, and every two years thereafter, the alderpersons representing seats 2, 4, 6, 8, and 10 shall be elected for 2-year terms.~~

(c) — ~~In 2019, and every two years thereafter, the alderpersons representing seats 1, 3, 5, 7, 9 and 11 shall be elected for 2-year terms.~~

A person may file for both the positions of city alderperson and county supervisor and be elected to both of those positions.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This charter ordinance shall take effect sixty (60) days after its passage and publication, unless within such sixty (60) days a referendum petition shall be filed as provided by Section 66.0101 of the Wisconsin Statutes, in which event this ordinance shall not take effect until submitted to a referendum and approved by a majority of electors voting thereon as provided by Section 66.0101 of the Wisconsin Statutes.

Adopted:
Approved:
Published:
Attest:

Approved:

James E. Tipple, Mayor

Attest:

Toni Rayala, Clerk

DRAFT

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

DATE/TIME: November 11, 2013 at 4:30 p.m.

LOCATION: City Hall (407 Grant Street) – Board Room

MEMBERS PRESENT: R. Wagner (C), G. Gisselman, B. Nagle, D. Nutting, D. Oberbeck

MEMBERS ABSENT: Also Present: Mayor Tipple, D. Bohn, P. Czarapata, N. Giese, M. Groat, A. Jacobson, M. Loy, G. Seubert, A. Werth, P. Peckham

Discussion on Changes to Terms of Office for Alderpersons. This item was brought to the committee at the request of the mayor. Mayor Tipple explained that his concern has always been the possibility of having a full turnover of the council and what that would mean to the city. Mayor Tipple would like to see terms staggered so that the city is never in jeopardy of losing all of its alderpersons expertise and knowledge at one time. Loy handed out a spreadsheet document that listed cities comparable to Wausau, how many alderpersons each city has and the length of terms for the alderpersons. Data was not collected as to whether the terms are staggered when the information was originally collected for another issue. Loy asked the committee to share their experience with how long it takes to fully perform the duties of alderperson for the City of Wausau. Wagner said that he wouldn't worry so much about the council, but rather what could happen to the committees if no one has experience or knowledge. Wagner believes it takes a long time to understand the roles of the committees and how they relate to council, and is in favor of staggered elections. The question of how to begin staggered elections ensued. Nutting brought up his concern about the cost of the elections and what staggered elections would cost the City. Groat said that local elections are held every spring. The term limit for alderperson was briefly discussed; it was agreed upon that a two year term is the most favorable. Gisselman asked how citizens would know when to vote for their alderperson. Oberbeck said the newspaper does a good job of covering elections and who's running. Nutting said most citizens do not read the newspaper. Discussion then turned to voter turn-out. Wagner said it's up to those running to get the word out. Wagner said the item on the table is whether or not staggering elections will make for a better council, not how to get people out to vote. Oberbeck asked if there is any information from cities that have made this change. Mayor Tipple said in talking with other mayors, many are surprised that Wausau doesn't have staggered terms for the alderpersons. Nagle asked the committee if term limits should be discussed. Mayor Tipple said in his experience, many alderpersons run unopposed, therefore it is not necessary to set term limits. Oberbeck said it is the decision of the public to elect or not elect people; the City does not need to impose term limits. Wagner agreed with Oberbeck. The committee agreed the decision is to have two year staggered terms for alderpersons. Further discussion took place amongst the committee members on how to move to staggered terms. Groat said that when working with the redistricting committee, she learned that there are all different ways to enact staggering, so it

would be up to the City to decide. Oberbeck made a motion to have two year alderperson terms with elections happening in 2014 for 2 and 3 year terms based on even and odd districts, and a coin toss will determine if even or odd districts will serve a 2 or 3 year term. Wagner said it is important to understand that this is a one-time thing; after this everyone will return to 2-year terms. Second by Nagle. All ayes. Motion passes unanimously.



Memorandum

From: Myla D. Hite, Human Resources Director
To: Human Resources Committee
Date: May 11, 2015
Subject: Premium Pay for the Designation of City Engineer

Purpose: To request approval from the Committee to establish premium pay for the designation of City Engineer.

Background: On January 27, 2015 the Common Council amended Chapter 2.05 Director of Administration – Public Works and Utilities. Discussion prior to this revision, beginning in the summer of 2014, resulted in the generally known preference of the Common Council to separate the City Engineer designation from the Director of Public Works and Utilities position.

The Common Council confirmed the Mayor's appointment of Eric Lindman as Director of Public Works and Utilities (DPWU) on February 24, 2015.

At this time, the Mayor has not yet appointed a City Engineer and preparations are underway to designate an engineer currently employed by the City.

The DPWU and the Mayor have agreed it appropriate to designate the City Engineer among the three (3) Engineers currently employed within DPW.

Additional compensation is appropriate for the assumption of additional responsibilities annotated in the Municipal Code as annotated in the City Engineer description at Attachment A.

Recommendation. That you provide authority to establish a premium pay of 7% to compensate for performing the additional duties of City Engineer. DPW currently employees engineers in Pay Grades 5 and 6, as follows:

PAY GRADE	SALARY RANGE	Hourly/Annual
5	\$29.92-\$ 37.40-\$44.88	\$2.09-3.14/\$4,347--\$6,531
6	\$27.83-\$34.78-\$41.74	\$1.94-2.92/\$4,035-- \$6,077

Resource Impact: Between \$4,035 and \$6,531 annually. This amount can be absorbed within the current budget for 2015 with the salary savings for the vacant DPWU Director position during the month of January 2015..

Cc: Mayor

Encl: January 14, 2015 Memorandum

Premium Pay for the Designation of City Engineer – HRC Meeting – May 11, 2015
Attachment A – City Engineer Responsibilities

City Engineer Job Description Research

The City Engineer is appointed by the Mayor upon recommendation of the Director of Public Works and Utilities, until said time as the Director recommends removal with the Mayor's concurrence.

The incumbent analyzes a variety of situations for conformance with City code and may issue citations for violations of a uniform ordinance.

Under the supervision of the Director of Public Works and Utilities, reviews submissions, along with supplements, and determines appropriate specifications and/or makes recommendations to the Board of Public Works or Common Council as applicable for driveways, sidewalks, curbs and gutters, parking lots, parking lot storm sewers, sewer drains, catch basins and receptacles, storm water easement and drainage right-of-way, and streets being constructed, revised or maintained within the City;

Shares responsibility with the City Clerk's Office for maintaining the schedule of repair costs adopted by the Common Council;

With approval from the Public Works Director, establishes time constraints for travel lanes,

Responsible for making appropriate notifications to the Water Commission for streets approved for construction/reconstruction and making appropriate notifications of same.

Determines need and verifies compliance with compaction control tests as required under ordinance

Ensures the official map of the City is kept up to date, with specific attention paid to the locations of existing and planned municipal well sites. May serve as the Public Works and Utilities Director's designee for the assessor's plat survey. May make recommendations to initiate an assessor's plat survey or resurvey. Distributes copies of approval final plats to affected property owners.

Determines standards and requirements for sewage disposal and water supply consistent with the requirements of the Wisconsin State Board of Health.

Reviews requests to waive (SEE 23.08.220)

Reviews advertising devices and makes recommendations for conformance of signage.

Serves on and provides staff support to the Committee to review new materials, processes or occupancies which may require permits.

Determine appropriate forms and drawing specifications for platting. Receives, conducts and coordinates preliminary and final plat review, provides support to the Common Council, making written notification to the sub-divider of Council's action. Investigates, reviews and makes unsuitable land recommendations as necessary.



Memorandum

From: Myla D. Hite, Human Resources Director
To: Human Resources Committee
Date: May 11, 2015
Subject: Health Care 2016

Purpose: To obtain the Committee's direction regarding next steps for Health Care Planning for 2016

Background:

1. On September 8, 2014 the HRC approved \$10,000 to participate with NCWPEHC (North Central Wisconsin Public Employer Health Insurance Consortium) – a consortium including DC Everest School District, Wausau School District, Marathon County, North Central Health Care and the City of Wausau. To explore health care options for future. \$4,763.80 remains at this time.
2. In October 2014 the Consortium decided to pursue a feasibility study to assess if it would be possible and beneficial for the proposed members to create a combined organization for health care insurance. BSG (The Benefits Services Group, Inc.) was selected through the RFP process.
 - a. The feasibility study revealed an estimated 21.4% increase in premium for 2016 based on current plans if the city does nothing. This is due to 21 months of trend and a three year weighted average of claims and costs that are not reflective of our current strategies we have put in place. Rates shown use same H.S.A/HRA contributions as 2013 and 2014. We made dramatic changes to these contributions, both in amount and how they were funded.
 - b. The feasibility study gives very little “concrete” information to determine whether or not it is in the City's best interest to continue to pay for studies, which leave more questions unanswered. Staff has not received an answer on why we need to increase the premium to save \$1,475,086.00 dollars.

Consortium Participation

Remaining a Single Entity

Buying power of larger group (3000 employees)	The City can independently explore participating with other groups who have already leveraged the market. One choice would be the (NCHA) North Central Health Care Alliance which has as much or more bargaining power. Market already very leveraged. (8000 employees and 24,000 members)
Potential discount savings for group. BSG has not confirmed if consortium will use existing networks or negotiated any further discounts.	We will shop all carriers and networks to determine best pricing and practices. The City can market and move to a different network. About health (consortium network) is Antheims Blue Priority network without BlueCross. Do not need to be part of consortium to be part of network.
Stop loss potential savings. Shop true TPA and Multiple stop loss options. Should be done annually.	Market and select Stop Loss carrier and level of benefits .The City does shop annually for Stop Loss.
Normative data of group	Individual experience, data and rating
Similar or one plan design with other public sector employers in the area.	Freedom to be creativity in plan design and wellness program.

3. At this time, continued exploration would require Committee approval to spend an additional (\$total consortium is asking minus 4763.80) to accomplish the following:
 - a. \$7,000 for an RFP study to research TPA (Third Party Administration) Search, Benefit Design, Pharmacy Vendor and Network design
 - b. \$16,000 for a complete Pharmacy Benefits Audit and a \$3.50 per employee per month \$1,050 per month ongoing charges through BSG.

Options for Proceeding: We are seeking the Committees Review and approval for proceeding:

Option 1: Continue exploring Consortium participation. This option requires the additional expenditure of funds with an uncertain outcome as discussed above.

Option 2 - Authorize staff to explore options on our own, which may include:

- A. Working with current broker to make plan design adjustments for 2016. At present, if we do nothing it appears the City can expect an approximate 10.68% cost increase) (approximately \$509,911)
- B. Explore other consolidated groups and assess feasibility of joining
- C. Issuing an RFP to solicit other carriers and TPA's

Your consideration is greatly appreciated.

Cc: Mayor

Encl

DRAFT

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

DATE/TIME: September 8, 2014 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, P. Burek, J. Coleman, J. Hardel, M. Hite, J. Kannenberg, G. Klein, E. Krohn, A. Lippert, J. Schara, G. Seubert, T. Pagryzinski

North Central Health Care Consortium (Hite).

Hite explained how the City recently became self-insured, and in order to leverage purchasing power, help reduce costs and provide consistent benefits, five entities including the City, Marathon County, Wausau School District, DC Everest School District and North Central Health Care are proposing to come together and issue a request for proposal for a consultant to come in and look at ways to leverage purchasing power. Rasmussen asked for an estimate on the cost of the RFP; Hite said the cost will be no more than \$10,000 per organization, and is likely to be closer to \$8000 per organization. This money is available from the insurance fund. Motion by Rasmussen to direct Hite to continue with the North Central Health Care Consortium, second by Gisselman.

Romey Wagner
Human Resources Committee, Chair



Memorandum

From: Myla D. Hite, Human Resources Director
To: Human Resources Committee
Date: May 11, 2015
Subject: Compensation Concept and Philosophy

Purpose: To obtain direction regarding Compensation for general government employees.

Background:

1. The City's compensation plan is contained within Chapter 5 of the Employee Handbook. (Attachment 1).
2. The Employee Handbook's revision and approval process requires annual review and adoption and modifications may impact the budget process.
3. A 2016 salary freeze was enacted by Common Council on December 9, 2015 to allow for review and adjustment to the City's newly implemented "Pay for Performance" Program.
4. To align compensation with the Common Council's vision, City Administration needs direction regarding the concept.

Recommendation: That you review the compensation philosophy and the proposed concept providing direction to align with policy-maker expectations. This will to provide Human Resources direction necessary for developing the 2016 Compensation Plan and update the Employee Handbook.

- a. Compensation Philosophy. The City's compensation philosophy is contained within Section 5.01 – General Provisions (Compensation) of the Employee Handbook which states:

The City's compensation philosophy is to maintain position classifications and compensation levels that are internally consistent and responsive to changes in local economic conditions and strategic priorities.

Simply stated, the compensation philosophy is to maintain competitive market rates with equitable internal alignment. As a reflection of this philosophy current pay matrixes are established at 80% -- 120% of market rates. Market pay is incorporated into the base budget.

- b. Compensation Concept. (See attachment 2)

The compensation concept would include, in addition to the base pay plan, Discretionary Performance Recognition measures intended to incentivize "Pay-for-Performance" or "Pay-for-Results" as part of the City's compensation philosophy, including both individual as well as group performance goals.

Resource Impact: Not applicable at this time.

Cc: Mayor

Chapter 5 – Compensation

5.01 – General Provisions

5.02 – Compensation Plan Administration

5.02 – Time Keeping

5.04 – Payroll

5.05 – Overtime

5.06 – Compensatory Pay

5.07 – Call-in Pay

5.08 – Shift Differential

5.09 – Jury Duty

5.10 – Mechanic Incentive Pay (Water Utilities)

5.11 – Firearm Certification Pay

5.12 – Expense Reimbursement

5.13 – Clothing and Equipment

5.14 – Attendance at Training Sessions and Other Meetings

5.01 – General Provisions

The compensation for general City employees in an allocated position not covered by a labor contract shall be established by the Director of Human Resources within the budget approved by the Common Council.

Where applicable, overtime, compensatory time, call-in pay, shift differential and court appearances for Police Lieutenants shall be paid in accordance with the provisions of the collective bargaining agreement between the City of Wausau and the Wausau Professional Police Association.

We believe that it is in the best interest of the City of Wausau, our employees, and the community in which we serve, to competitively and fairly compensate employees for their work. The compensation for general City employees in an allocated position not covered by a labor contract will be established by the Human Resources Director within the budget approved by the Common Council.

The City's compensation philosophy is to maintain position classifications and compensation levels that are internally consistent and responsive to changes in local economic conditions and strategic priorities. The City's compensation priorities include:

- (1) Internal alignment: Employee's jobs and skills will be compared in terms of their relative contributions to the City's objectives. Pay rates both for employees doing equal work and those doing dissimilar work will continually be evaluated.
- (2) External competitiveness: To be an effective organization the City must attract and retain high caliber employees while at the same time controlling labor costs to ensure living in Wausau provides value to our citizens. The City will gauge our compensation against both private and public markets to ensure that we are capable of employing a quality work force at market costs.
- (3) Employee contributions to pay: Employee contributions to pay refer to the relative emphasis placed on performance. The City will evaluate employee performance and determine whether one employee should be paid differently from another depending on relative performance.
- (4) Administration: The City will continually evaluate our compensation plan and pay model to determine that we are meeting our strategic goals with our human resources. This review will focus on whether we are attracting and retaining skilled workers, perceived fairness and understanding of the pay plan, and how our labor costs compare to the overall labor market.

Our total compensation system is comprised of both Base Compensation and Employee Benefits. Our compensation system will be objective and non-discriminatory in theory, application, and practice. Base compensation is designed to provide competitive and fair compensation to employees for fulfilling the full scope of responsibilities and accountabilities as outlined in our job descriptions. Base compensation salary ranges for each position are established by researching industry and local salary survey data. Base compensation levels within the established range for the position are determined on the basis of an employee's ability to execute the full responsibilities of the position at an acceptable proficiency level. Generally, the City will administer base compensation to reflect our pay-for-performance culture.

City employee benefits will be reviewed on an annual basis to ensure they remain competitive within the marketplace and reflect those benefits valued by our employees. Targeted levels for benefits will be positioned at or slightly above the market median as derived by review of industry and local survey data and discussion with City insurance representatives and other advisors.

5.02 – Compensation Plan Administration

- (1) Job Documentation:** Job documentation refers to the collection and maintenance of job content information. Formal job descriptions are used to describe duties and responsibilities required for each job at the City. The description focuses on the job, not the employee assigned to the job. Appraisal of the employee's performance is treated as a separate issue.

City job descriptions generally contain the following information: job title; reporting relationships; exemption status; purpose; essential duties and responsibilities; additional duties and responsibilities; job requirements; performance specifications; and work environment conditions. A copy of the approved job description is available for each employee on the City's website, through their manager, or the Human Resources Director. A job description is used to describe every job. It is intended to document the minimum requirements of the job as it exists at the present time. The formal job description is used as the basis for assigning a pay range. Accurate and complete job descriptions will be prepared and maintained.

Salary adjustments for current employees or hiring rates for new employees are authorized only with a current job description.

Current job documentation is the responsibility of the Human Resources Director in coordination with department managers. The Human Resources Director is responsible for ensuring the consistency and accuracy of the information and keeping formal copies and background information on file for all jobs. The Human Resources Director is also responsible for writing new and revised job descriptions and determining the salary range for new or changed jobs.

If a manager wants to hire for a new job, a position description questionnaire must be completed listing the minimum requirements and responsibilities for the job. A job description will then be developed and a pay grade and salary range assigned to the job.

As a job changes, a revised job description may be needed. Managers are required to review job descriptions with their employees on an annual basis in conjunction with the performance appraisal process. If changes are minor, the manager and employee should note the changes on the current job description and forward it to the Human Resources Director. The Human Resources Director will make the changes and prepare and distribute an official revised description.

If a job becomes vacant, the manager is required to review the current job description to determine if there should be any changes prior to the position being posted. Revisions should be made before any action is taken to fill the position.

(2) Salary Range Structures: The City is committed to providing a salary range structure that is responsive to the external market and is internally equitable. Data will be collected and analyzed on a regular basis to determine market movement of jobs and current salary trends.

Job pricing is the process of matching our jobs at the City to jobs of the external market. Pay grades are determined through a process of evaluating jobs based upon internal and external conditions and grouping similarly valued jobs together (job groups). The market value for jobs within a job group is used as a factor when computing the pay for the salary range structure.

The salary range structure consists of a series of overlapping salary ranges. Each salary range has a minimum, midpoint, and maximum salary amount. To reflect the City of Wausau's pay for performance philosophy, the minimum and maximum of each pay grade will be within 20% of the midpoint. The City of Wausau will review the Consumer Price Index for All Urban Consumers (CPI-U) data as well as data from local and national compensation surveys in order to maintain competitive salary ranges.

Each salary range is identified through a minimum, midpoint, and maximum salary amount.

(a) Minimum –The lowest amount the City will pay an individual for a job assigned to the salary range.

(b) Minimum to midpoint area (the first and second quintiles) – Is intended for employees who:

- Are continuing to learn job responsibilities while meeting performance standards.
- Are fully trained but perform at a level that is less than proficient.
- Have not acquired sufficient time in the job to warrant pay at the midpoint level.

(c) Midpoint area (the third quintile) – Intended to represent the salary level for employees who are fully qualified and performing at a proficient level over a period of time (the direct midpoint of the range is intended to reflect the market rate).

(d) Midpoint area to maximum (the fourth and fifth quintiles) – Intended for employees whose performance is continuously excellent or outstanding and exceeds performance objectives over a period of time.

The Human Resources Director will conduct a comparative ratio analysis on an annual basis to determine where each employee's pay falls relative to his or her current salary range. As a policy, the Common Council requires the overall pay plan to maintain a comparative ratio analysis within the third quintile.

The Human Resources Director is responsible for gathering, analyzing, and recommending changes to the salary range structure based on market data and salary trend information. Final approval of these recommendations will be made by the Common Council. A full review of market data for all City jobs will be conducted approximately once every five (5) years. The Human Resources Director will review market data and develop a comparison of market data to current midpoints and current pay practices.

(3) Pay Adjustments: A pay adjustment occurs when the City adjusts an employee's rate of pay to fall within the parameters of established pay ranges. These adjustments may occur for various reasons. To ensure credibility and achievement of City objectives, an effective pay adjustment system must be developed and maintained with guidelines and procedures communicated to users on a timely basis. The guidelines and procedures of the base compensation plan are intended to ensure that each employee will be rewarded on the basis of demonstrated performance.

Department managers are responsible for initiating appropriate pay adjustments for their employees through the performance management system with the oversight of the Human Resources Director. Managers will communicate all approved pay adjustments to employees.

- (a) **Market Adjustments:** Market rates (mid-points of salary ranges) are the rate of pay with which the City compares itself in local, regional or even national markets for our jobs. When necessary and appropriate, salary adjustments not related to performance, but intended to correct market or equity disparities may be proposed for individual jobs, groups of jobs, or the overall pay plan to maintain the City’s relative position to the market. All market adjustments will be approved by the Common Council.
- (b) **Merit Increases:** Merit increases are intended to ensure that performance is recognized and that equity is achieved and maintained. The Human Resources Director will review market conditions and trends to recommend a merit increase budget on an annual basis that will be approved by the Common Council. Recommendations for individual merit increases will be determined by Department Directors within the budget provided and should be on the basis of performance. Merit increases are not permitted if the increase would move the compensation of an employee past the maximum established for the salary range. A merit increase is 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 following table is an example of an annual merit increase decision worksheet. The merit increase worksheet will be determined within the budget approved by the Common Council, employee performance, and both overall and individual comparative ratio analysis on an annual basis.

Example Annual Merit Increase Considerations

LEVEL OF PERFORMANCE	QUINTILES				
	1 st (80-87%)	2 nd (88-95%)	3 rd (96-104%)	4 th (105-112%)	5 th (113-120%)
Exceptional Performance	4.0%	3.5%	3.0%	2.5%	2.0%
Proficient Performance	3.5%	3.0%	2.5%	2.0%	1.5%
Marginal Performance	0.0%	0.0%	0.0%	0.0%	0.0%

- (c) **New Hires:** The hiring rate is normally the minimum of the salary range for entry-level individuals. If an individual with prior experience is hired, the hiring rate should reflect the level of experience the individual brings to the City. The proposed rate should not create inequities with current staff. The proposed hiring rate will be determined and approved by the Human Resources Director. Any hiring rate that exceeds the market rate (mid-point) for a position must be presented to and approved by the Mayor.
- (d) **Promotional Increases:** Promotional increases are provided to recognize an increase in the scope and responsibility of a job and should be given at the time the new responsibilities are assumed. The amount of the increase should be consistent with the objectives of the base compensation plan, take into consideration the employee’s pay level prior to the promotion, and internal equity issues.
- (e) **Job Reclassification:** As the organization continues to grow, jobs and responsibilities will evolve and change over time. Therefore, as job descriptions change, they will be evaluated to determine if the job needs to be reclassified into a different pay grade. The Human Resources Director will have the responsibility to recommend the reclassification of positions. All position reclassification requests will require submission of a position description questionnaire, internal equity analysis, and relevant market data prior to consideration. Employees can make reclassification requests to their respective Department Head who will request that Human Resources aid in the analysis and collection of market

data. Reclassification requests can be made beginning the first working day in April and all requests must be submitted to Human Resources no later than the last working day in June. All reclassification requests will be evaluated thereafter and subject to the approval by the Human Resources Director within the compensation plan's administrative guidelines and philosophy.

- (f) **Transfer:** A transfer is the reassignment of an employee from one job to another job in the same pay grade and salary range which normally does not involve a change in pay. Lateral transfers provide employees with the opportunity to acquire new work experience and provide exposure to a different work environment.
 - (g) **Temporary Appointments:** Employees temporarily appointed to positions of a higher classification may be eligible for a pay increase during the temporary appointment period. The Human Resources Director will take into consideration the employee's pay level at the time of the appointment, change in scope of duties and responsibilities, duration of the appointment, internal equity issues, and other factors when making the compensation determination.
 - (h) **Demotion:** A demotion is the reassignment of an employee from one job to another job in a lower pay grade and salary range with a resulting decrease in the scope and responsibility. Demotions may occur for unsatisfactory job performance, in response to an employee request, and for various organizational reasons. The determination of whether the employee should have their pay reduced will be based on the current pay level of the employee relative to the salary range as well as internal equity considerations.
 - (i) **Redlining:** Employees whose salary is determined to be above the maximum pay rate in the pay grade established for their job will have their pay rates redlined until such time that the market adjustments bring their current salary within established salary ranges. The redlining procedure does not allow for an employee's base rate to be adjusted above the salary range maximum rate. Once adjusted to the maximum salary rate, employees remain 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 will 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 2,080 hours). Before an employee is redlined they must be notified in writing prior to and given adequate time to appeal the decision to the Human Resources Director.
 - (j) **Exceptions:** In order to make the base compensation plan an effective management tool, exceptions from to base compensation administration guidelines may be considered when extenuating circumstance exist. Exceptions to policy should be discussed with the Human Resources Director prior to the preparation of any recommendation. Exceptions must be reviewed and approved by the Human Resources Director.
- (4) **Confidentiality:** The City will treat all pay and salary range information confidentially. As a general rule, City will not discuss individual compensation information with other employees unless extenuating circumstances exist. When discussing compensation with an employee, we will remain focused on that employee's specific pay situation. Employees will be provided their individual pay and salary range only. If an employee is considering a job change to a vacant position, the salary range information will be discussed at that time.

City of Wausau compensation data is public record. Therefore, any party wishing to acquire specific compensation information may be entitled to receive it provided they make the request in the appropriate manner.

5.03 – Time Keeping

All non-exempt employees must accurately record time worked on a time card for payroll purposes and are required to record their own time at the beginning and end of each work period, and before and after any unpaid break. Employees must record their time whenever they leave the building for any reason other than Company business or with prior approval from the supervisor. Filling out another employee's time card, allowing another employee to fill out your time card, or altering any time card will be grounds for discipline.

No work shall be performed by employees prior to their clocking or logging in at the start of their work day, during their lunch break when they are clocked out, or after they have clocked out at the end of their work day. No one in the City of Wausau has the authority to ask, or encourage, or insinuate that you should work off the clock.

Employees may use vacation, sick leave or compensatory time in units of 15 minutes or more.

5.04 – Payroll

City employees shall participate in the City's direct deposit program and are paid on a bi-weekly basis. The payroll workweek begins on Sunday at 12:01 am and ends on the following Saturday at 12:00 midnight. Each paycheck will include earnings for all work performed through the end of the previous payroll period. In the event that a regularly scheduled payday falls on a bank holiday, employees will be paid on the day prior to the bank holiday.

The City of Wausau is required to make certain deductions from your paycheck each time one is prepared. This includes federal income taxes and your contribution to Social Security, where applicable and as required by law. These deductions will be itemized on your payroll statement. The amount of the deductions may depend on your earnings and the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to Human Resources immediately to ensure proper credit for tax purposes. The W-2 form you receive for each year indicates precisely how much of your earnings were deducted for these purposes. Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever the City is ordered to make such deductions.

The City reserves the right to make deductions and/or withhold compensation from an employee's paycheck as long as such action complies with applicable state and federal law. In addition, it may be possible for you to authorize the City to make additional deductions from your paycheck for extra income taxes, contributions to retirement savings programs or insurance benefits (if eligible).

Every effort is made to avoid errors in an employee's paycheck. If you believe an error has been made or you have a question about your pay, notify Human Resources immediately. If you believe your pay has been improperly docked, notify Human Resources immediately. The City will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

5.05 – Overtime

Prior approval by supervision or management must be obtained for all overtime hours worked. Overtime work is to be held to a minimum consistent with the needs of the service. It is the responsibility of each department to explore all possible alternatives before a decision is made to require employees to work on an overtime basis. Further, it is the responsibility of each department to ensure that the provisions of overtime pay are administered in the best interest of City service. Each department should develop internal controls that provide a means of reviewing and evaluating the use of overtime.

Overtime shall be compensated for non-exempt employees at one and one half (1 ½) times the employee's hourly rate of pay. Overtime is defined as any hours worked in excess of 40 hours per week. Hours worked on Saturday or Sunday for work that is not regularly scheduled is considered overtime and shall be compensated at one and one (1 ½) times.

For workers in the following individual Divisions, overtime is defined as work in excess of eight (8) hours per day or forty (40) hours per week. The Divisions listed below exclude support staff, and exempt staff for the purposes of overtime.

Community Development Maintenance Division
Construction and Maintenance Division
Electrical Division
Engineering Division
Sewage Maintenance Division
Water Distribution Division
Wastewater Treatment Division

5.06 – Compensatory Pay

Non-exempt employees shall have the choice of receiving overtime in pay, or as compensatory time. Exempt level staff may receive straight time (hour for hour) compensatory time for hours worked in excess of 40 hours per week. Executive level shall not be allowed compensatory time under any circumstances. Compensatory time may accumulate to a maximum of forty (40) hours. Compensatory pay for Battalion Chiefs shall be paid at straight time (hour for hour) for additional hours worked in excess of the employee's regular hours of work and may accumulate up to a maximum of four hundred (400) hours. Compensatory time off shall be scheduled so as not to unduly disrupt operations.

Compensatory time off shall be paid out at any time during the year upon written request and approval by the Department Director. Compensatory balances that exceed the bank hour maximum shall be paid out. All balances in compensatory time banks must be used within the year it is earned or it will be paid out on the last pay period of each year.

5.07 – Call-in Pay

If a non-exempt employee is called back into work outside of his or her work schedule, he or she will receive a minimum of two (2) hour's pay for such work or pay for the actual time worked, whichever is greater.

For scheduled court appearances on behalf of the City of Wausau, employees will receive a minimum of two (2) hour's pay for such work or pay for the actual time worked, whichever is greater.

These provisions will not apply to hours worked consecutively prior to or subsequent to the employee's regular schedule of hours.

5.08 – Shift Differential

Any regular employee whose assigned to work a schedule that requires four (4) or more work hours after 4:30 p.m. shall receive forty-five cents per hour (\$.45/hour) in addition to their regular hourly rate. For any regular employee whose assigned to work a schedule that requires four (4) or more work hours after 12:00 midnight shall receive sixty cents per hour (\$.60/hour) in addition to their hourly rate. Shift differential shall be paid as described above for leave time and would include vacation, sick days, and holidays. No differential shall be paid for an employee working overtime.

5.09 – Jury Duty

Regular full-time employees who serve on a jury or are subpoenaed to appear as a witness before a court or administrative tribunal shall be paid the difference between the jury or witness duty fees and their regular earnings. When released from jury or witness duties employees shall immediately return to their job and complete the scheduled work day. Employees shall not be entitled to overtime or shift differential under this provision. Part-

time employees are not eligible for paid time off for jury duty but shall be allowed to modify their work schedule to accommodate such duty when reasonably possible.

5.10 – Mechanic Incentive Pay (Water Utilities)

Employees classified as a Plant Maintenance Mechanic in the Water Department are eligible for an educational incentive pay of \$0.50 per hour upon achieving 50% of the electrical and instrumentation training program as confirmed by North Central Technical College officials. Upon completion of the electrical and instrumentation NTC program and receipt of a State of Wisconsin Journeyman card, the employee will receive an incentive pay of \$1.00 per hour.

5.11 – Firearm Certification Pay

Persons classified as Deputy Chief, Captain or Lieutenant will receive Firearm Certification Bonus equal to 1% of step 5 of their respective positions pay grade. Firearm pay shall be paid upon meeting department annual certification testing standards and no later than November 1.

5.12 – Expense Reimbursement

For employees where a Commercial Driver’s License is a requirement of employment, the City will pay up to \$50 toward the difference in the cost of a commercial driver’s license and a regular license, upon issuance and/or renewal.

5.13 – Clothing and Equipment

The City provides clothing allowances and uniforms to certain employees.

Building Maintenance employees shall be furnished shirts and pants by the City.

Parking Control Specialists shall receive uniforms purchased by the City at the time of initial employment. The City will maintain such uniforms by replacing damaged or worn out clothing upon proof of the need for replacement.

Employees in the following divisions will receive the following Clothing and Equipment:

- Construction and Maintenance Division
- Electrical Division
- Engineering Division
- Sewage Maintenance Division
- Water Distribution Division
- Wastewater Treatment Division

- 1) All protective clothing required to perform essential job duties shall be owned and furnished by the City in its discretion at no cost to employees. Such protective clothing shall be left on City property at the close of the working day.
- 2) The City shall provide eleven (11) sets of uniforms for employees in these divisions except the Engineering Division.
- 3) Skilled workers shall furnish hand tools of their trade as found necessary in their job requirements. Power tools, special equipment and large tools will be furnished by the City. Any question concerning the necessity of purchasing additional tools shall be determined by the City.
- 4) Employees shall receive an annual reimbursement of \$50.00 towards the purchase of cold weather gear.

5) Employees will be reimbursed 50% of the cost up to \$75.00 per pair of safety boots annually. Boots must be worn on all job sites and inspected for compliance to ANSI Z41.1 standard.

Persons classified as Police Chief and Fire Chief shall receive a uniform allowance of \$475.00 per year, persons classified as Deputy Fire Chief shall receive a uniform allowance of \$350.00 per year and persons classified as Battalion Chief, EMS Division Chief, or Fire Marshall shall receive a uniform allowance of \$325.00 per year for replacement and care of uniform items. Persons classified as Police Lieutenant, Police Captain or Deputy Police Chief shall receive a uniform allowance in accordance with the provisions of Article 20 of the agreement between the City of Wausau and the Professional Police Association.

5.14 Attendance at Training Sessions and Other Meetings

During your employment, you may be asked, or required, to attend training sessions and other professional meetings. Attendance at training sessions or other meetings, whether during, before, or after the employees regular work schedule may be considered paid time. To find out more information regarding when training sessions or other meetings will be considered paid time; please contact your direct supervisor or human resources.

DISCRETIONARY PERFORMANCE RECOGNITION

- One-time fixed costs
- Do not add to the base
- Driven by Performance
- Management Award

Recognition Tools

- Workplace Flexibility
- Paid Time Off
- Tuition Reimbursement
- Developmental Training
- Professional Conferences
- Gift Cards
- Nominal Items
- Exceptional Performance Cash Awards

Compensation Concept

GROUP GOALS

SAFETY
COMMUNITY SERVICE
PLANNED TIME OFF
CUSTOMER FEEDBACK
WELLNESS

COMPENSATION PLAN ADJUSTMENTS

Market driven, add to the base

- Cost-of-Living
- Internal Alignment
- Reclassification
- Retention
- Review Period
- Salary Studies

DISCRETIONARY
PERFORMANCE
RECOGNITION

**General
Employees**

