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, August 14, 2017 at 4:30 PM
Location: City Hall (407 Grant Street) – Council Chambers – 1st Floor
Members: Romey Wagner (C), Gary Gisselman, Karen Kellbach, Becky McElhaney, Tom Neal

AGENDA ITEMS FOR CONSIDERATION

1) Approval of 07/17/2017 Minutes.
2) Presentation by Arthur Gallagher & Co. on City of Wausau Wage Study.
3) Discussion and Possible Action on City of Wausau Wage Study.
4) 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: Amalgamated Transit Union (ATU) Local 1168 Bargaining.
5) Reconvene into Open Session, and Possible Action on Closed Session Item of Amalgamated Transit Union (ATU) Local 1168 Bargaining.
6) Discussion and Possible Action on City of Wausau Employee Handbook (Section 8.02 Paid Holidays, and Section 8.05 Perfect Attendance Leave).
7) Discussion and Possible Action on City of Wausau Employee Handbook (Section 8.04 Vacation; 8.03 Personal Holidays; and Section 8.12 Separation Benefits for Vacation, Compensatory and Perfect Attendance Leave).
8) Future Agenda Items.
9) Adjournment.

Romey Wagner, HR Chair

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 08/10/2017 at 2:00 PM
Questions regarding this agenda may be directed to the Human Resources Office at (715) 261-6630.

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 Phone (715) 261-6620.

Other Distribution: Media, Alderperson, Mayor, Department Heads, City Departments, Union Presidents.
CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION

DATE/TIME: June 12, 2017 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Council Chambers
MEMBERS PRESENT: R. Wagner (C), T. Neal, D. Smith
MEMBERS ABSENT: G. Gisselman, R. McElhaney
Also Present: Mayor Mielke, S. Boers, M. Groat, T. Kujawa, E. Lindman, T. Vanderboom

Approval of 06/12/17 Minutes.
Motion by Neal to approve the Human Resources Committee minutes from June 12, 2017. Second by Smith. All ayes. Motion passes 3-0.

Discussion and Possible Action on City of Wausau Wage Study.
Vanderboom stated that responses to the Wage Study Request for Proposals issued in 2016 were reviewed by Vanderboom, Finance Director Groat, and City Attorney Jacobson. That group reviewed the responses based on the categories of the scope of the study, size of firm, previous experience of the firm, and references. While the project team and cost were considered, they were not calculated into the final score; project team could be subject to change considering the amount of time passed since submission, and cost while important is secondary to product and services. The firm of Gallagher Benefit Services was unanimously recommended by the ad hoc review committee. Smith stated that he believed that a new RFP was to be issued. Vanderboom stated that at the last HR Committee it had been stated that the previous RFPs would be reviewed to evaluate whether a recommendation could be reached without issuing a new RFP. Neal stated that he believed the proposals were too dissimilar to compare, especially related to the scope of service. Vanderboom stated that she created a list of actions as part of the review process under scope of service to quantify this category. Vanderboom stated that the wage study would evaluate Wausau’s wages compared to market rates, as well as evaluate the salary grades, job classifications, and develop recommendations for annual wage increases. Wagner stated that he believed the recommended firm was the most qualified to perform the duties, but that it was precipitous to grant the contract. He requested a presentation from the firm regarding how they would conduct the study. Vanderboom stated that a presentation could likely be scheduled for the next HR Committee Meeting.

Discussion and Possible Action to update Resolution 12-0220 Authorize Merit Increase for Introductory Period Completion.
Vanderboom stated that in 2016 the Finance and HR Committees passed a resolution granting a 2% increase to employees upon completion of a one year introductory period; shortly after the resolution was passed, the probationary period was changed to 6 months. Vanderboom requested clarifying the language in the resolution to either 1 year or the duration of the introductory period. Vanderboom recommended utilizing introductory period instead of a set timeline. Thus, if an introductory period is extended an employee will not receive an increase until said introductory period has been successfully completed.

Vanderboom also requested clarification as to whether it was intended to apply to new hires only, or any time an introductory period is completed. While new hires were clearly covered by the resolution, the language was unclear whether promoted employees were also intended to receive a 2% increase upon completing an introductory period. Vanderboom clarified that promoted employees receive an increase in salary upon promotion.

Mielke said that is item is being brought forward for clarification. Neal questioned the options as only the original resolution was included in the packet. Vanderboom said that she did not provide a draft resolution as it will be determined upon the outcome of the committee’s discussion and action. Groat spoke to advocate for all newly hired and newly promoted employees to receive a 2% increase after completion of their six month
introductory period. Smith asked for clarification if promoted employees receive a raise; Vanderboom said that is correct. Neal questioned if this type of process would be looked at as part of the wage study; Vanderboom first clarified that any City employee that receives a promotion immediately receives a pay increase when they begin their new duties; the question at hand is when an employee is promoted, should they receive a 2% increase in pay after their six month introductory period as if they are a new employee. Vanderboom went on to answer Neal’s question, saying that the wage study will look at ways of how to institute annual increases for non-represented employees but most likely will not weigh in on this issue unless asked to do so. Wagner said that the process as it is in place is how he understood it to be and makes sense to him.

Motion by Smith to clarify that merit increase for introductory period completion is for new hires only and not promoted employees. Second by Neal and request for Mayor to provide his input. Mielke said that he can see both sides of the issue but is in agreement to keep it as it is. Chief Kujawa spoke about difficulties at the Fire Department with their promotional process from union to non-represented positions and pay compression. Groat stated that in the past promoted employees received an introductory increase. Wagner suggested that this item should go before the whole council for consideration. Motion passes 2-1.

**Discussion and Possible Action Regarding the Reallocation Report for Water Distribution Maintainer.**

Vanderboom explained that this item was previously brought to the committee and held for Vanderboom to fully investigate the item. The duties have been reviewed for the reallocation request, consisting of no changes other than salary grade. As of now, the Water Distribution Maintainer is in the same salary grade as Street Maintainer; through research it was found that the Water Distribution Maintainer duties are more closely matched to Equipment Operator duties. The Water Distribution Maintainers also perform more technical skills that Street Maintainers are not required to have. It was found that the Water Distribution Maintainer should be reallocated to the same salary grade as Equipment Operator. Additionally, council previously approved a “floor” of $18.84 for employees hired as Equipment Operator; it is recommended that upon receipt of two certifications required for Water Distribution Maintainers, the salary would be $18.84. Lindman indicated that the recommendation meets his request.

Motion by Neal to approve the reallocation of Water Distribution Maintainer from salary grade 14 to salary grade 13. Second by Smith. All ayes. Motion passes 3-0.

**Future Agenda Items.**

Wagner indicated that Vanderboom will bring forward a presentation for the wage compensation study; all other items should be brought to Wagner or Vanderboom for consideration.

**Adjournment.**

Motion by Neil to adjourn. Second by Smith. All ayes. Motion passes 3-0. Meeting adjourned.

_______________________________________
Romey Wagner
Human Resources Committee, Chair
The City of Wausau’s current pay practices for part-time, non-represented employees provides for prorated leave time accrual in a number of areas, including vacation time accrual, paid holidays, personal holidays, and perfect attendance leave.

However, upon review of the Employee Handbook, language pertaining to part time employee accrual proration is included in Section 8.04 – Vacation and in Section 8.03 Personal Holidays, but is absent in the remaining two sections.

**Recommendation:** The Human Resources Department recommends adding language to clarify the proration of part-time non-represented employee benefits to the affected sections of the Employee Handbook.

Specifically, add the following language to Section 8.02 – Paid Holidays:

Regular part-time employees shall receive a proration of holiday pay based on their number of hours worked. In order to be eligible for holiday pay, a part-time employee must be on the active payroll the week of the holiday.

Add the following language to Section 8.05 – Perfect Attendance Leave

Regular part-time employees shall receive a proration of perfect attendance leave based on their number of hours worked.
HUMAN RESOURCES DEPARTMENT

MEMO

TO: Human Resources Committee
    Mayor Mielke

FROM: Human Resources Department

DATE: August 14, 2017

RE: Recommendation to Amend the City of Wausau Vacation Policy and Personal Holiday Policy

The City of Wausau Human Resources Department undertook an evaluation of the City’s vacation policy for non-represented employees, at the request of the Mayor and various Department heads. Two areas of concern were specifically mentioned. First, that the City of Wausau remains competitive regarding its vacation policy, as this can have an impact on recruitment. And second, that the current 6 month waiting period for vacation usage creates a hardship for new employees, particularly new employees who may be relocating the Wausau area as a result of their employment with the City.

Background

Twelve municipalities in the state of Wisconsin provided copies of their vacation policies to the City for comparative purposes, or posted their vacation policies on their public websites. Specifically, we evaluated when vacation time is granted (i.e. how long employees need to work before they are granted additional vacation time) and when employees may begin utilizing vacation time.

Of the twelve municipalities that were surveyed, two municipalities (Marathon County and the City of Sheboygan) utilize a PTO style of time off. As they do not separate vacation time off from other forms of paid leave, their usefulness for policy comparison was limited.

The City of Wausau currently grants vacation according to the following schedule:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Amount of vacation time granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-6 months</td>
<td>Prorated (3.0770 hours per pay period)</td>
</tr>
<tr>
<td>6 months – 6 years</td>
<td>2 weeks</td>
</tr>
<tr>
<td>7 years – 12 years</td>
<td>3 weeks</td>
</tr>
<tr>
<td>13 years – 17 years</td>
<td>4 weeks</td>
</tr>
<tr>
<td>18 years +</td>
<td>5 weeks</td>
</tr>
</tbody>
</table>
The City’s current vacation policy was found to be neither the most nor least generous when compared to the other cities surveyed.

<table>
<thead>
<tr>
<th>Amount of vacation time granted</th>
<th>10% of those surveyed have more generous policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 weeks</td>
<td>50% of those surveyed have more generous policies</td>
</tr>
<tr>
<td>3 weeks</td>
<td>20% of those surveyed have more generous policies</td>
</tr>
<tr>
<td>4 weeks</td>
<td>10% of those surveyed have more generous policies</td>
</tr>
</tbody>
</table>

We also evaluated when employees are first allowed to use vacation time. Under the City’s current policy, employees accrue vacation as soon as they are hired, but must wait 6 months before they may use any vacation time. Of the twelve municipalities surveyed, six municipalities allowed employees to use accrue and use vacation immediately, subject to supervisory approval. The remaining six department had varying lengths of time an employee must complete before being eligible to use vacation time.

<table>
<thead>
<tr>
<th>Number of Municipalities</th>
<th>Waiting Period for Vacation Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>No wait</td>
</tr>
<tr>
<td>1</td>
<td>90 day wait</td>
</tr>
<tr>
<td>2</td>
<td>6 month wait</td>
</tr>
<tr>
<td>2</td>
<td>1 year wait</td>
</tr>
</tbody>
</table>

**Recommendation**

The evaluation of the vacation policy found that the City of Wausau is moderately positioned regarding its current vacation policy, particularly in this region of Wisconsin. However, a balance of work/life balance is increasingly important to potential employees. For this reason, we have proposed a few adjustments to the vacation policy, as outlined below:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Annual Vacation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hire date until 1 year of service</td>
<td>Prorated amount (3.0770 hours per PP)</td>
</tr>
<tr>
<td>On 1st anniversary date thru 4 years of service</td>
<td>10 days</td>
</tr>
<tr>
<td>On 5th anniversary thru 8 years of service</td>
<td>15 days</td>
</tr>
<tr>
<td>On 9th anniversary thru 17 years of service</td>
<td>20 days</td>
</tr>
<tr>
<td>On 18th anniversary thru 24 years of service</td>
<td>25 days</td>
</tr>
<tr>
<td>Beginning on the anniversary date of 25 years</td>
<td>30 days</td>
</tr>
</tbody>
</table>

Under the proposed vacation policy, employees would begin accruing three weeks of vacation 2 years earlier than the current schedule (5th anniversary instead of 7th anniversary). They would begin accruing four weeks of vacation 4 years earlier than they would under the current schedule (9th anniversary instead of 13th anniversary). There would be no change to the allotment of the 5 weeks of vacation. The changes outlined above would place the city of Wausau in the top 20-30% of those municipalities surveyed.

The proposed changes to the vacation policy include allowing employees to utilize vacation time as it is earned, without waiting to complete a six month period of service. This would align the City with the
majority of the municipalities surveyed. Vacation time would remain subject to supervisor approval, and vacation could be denied based on the needs of the department.

In keeping with the spirit of removing the waiting period regarding paid time off for new employees, it is recommended to amend Section 8.03 – Personal Holiday to allow new employees to utilize this benefit at time of hire, pending supervisor approval. The current policy requires completion of six months of service before this time may be used.

Finally, Section 8.12 states that employees must currently have one year of service before their accrued vacation time, compensatory time, and perfect attendance leave may be paid out upon voluntary termination (resignation or retirement). In keeping with the spirit of the above changes, it is recommended that earned leave balance be paid out to employees who provide ten working days written notice of voluntary termination.

**Fiscal Impact**
If the above changes were made, a number of non-represented employees would be immediately affected. Approximately 20 non-represented employees have been hired in the past six months; they would immediately be eligible for vacation usage. Approximately 30 non-represented employees would begin accruing vacation at a higher amount. This change would be budget neutral.

Allowing paid leave balances to be paid out upon voluntary termination could have a fiscal impact; however, it is expected to be minor.