

**CITY OF EDGERTON
EDGERTON CITY HALL, COUNCIL CHAMBERS
12 ALBION STREET**

PERSONNEL COMMITTEE

Monday, September 20, 2021 at 6:00 p.m.

NOTICE: The meeting noticed above will also be live streamed on a Zoom platform: To view the meeting, please select the link to the meeting listed on the **calendar events** on the City website's home page at www.cityofedgerton.com. Due to occasional technical difficulties, citizen participation via Zoom may not be possible.

1. Call to Order; Roll Call.
2. Confirmation of Meeting Notice posted Friday, September 17, 2021.
3. Approve September 13, 2021 meeting minutes.
4. Consider polices relating to the Wage Study.
5. Adjourn.

cc: Mayor
Department Heads

All Council Members
Newspapers

NOTICE: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Administrator's office at least 6 hours prior to the meeting to request adequate accommodations. Telephone: 884-3341

**SEPTEMBER 13, 2021, 2021 PERSONNEL COMMITTEE MEETING MINUTES
CITY OF EDGERTON**

Candy Davis called the meeting to order at 6:14 p.m.

Present: Jim Burdick, Candy Davis and Sarah Braun

Others Present: City Administrator Ramona Flanigan, City Clerk/Treasurer Cindy Heggland, Municipal Services Director Howard Moser, Library Director Kirsten Almo, and many city employees.

Flanigan confirmed the meeting notice was properly posted on Friday, September 10, 2021. Agendas were posted at Edgerton Post Office, Edgerton Public Library and City Hall.

APPROVE MINUTES: A Sarah Braun/ Jim Burdick motion to approve the May 24, 2021 Personnel Committee minutes passed on a 3/0 roll call vote.

WAGE STUDY: Joellen Gademartori from Gov HR presented the Classification and Compensation Wage Study.

Flanigan presented some of the policies related to the wage study for discussion. The study recommends that those employees who are below the range be brought up to at least the minimum of the wage range. The Committee felt the wages should be adjusted to bring them into the range. Staff was directed to calculate the cost to bring any position below the range to the bottom of the range.

The next policy relates to the current long-term employees who are below the middle of the range. The Committee felt the current staff with 10-yrs of service should be at either at 25% or 50% of the wage range. Adjusting these wages may result in a significant hourly increase for some employees. The Committee may want to establish a cap for the maximum increase in any one year with a plan to phase in wage increases. Staff will calculate the cost of each level to determine what is affordable.

The wage study also analyzed employee contribution toward to the health insurance premiums. The study showed the average employee contribution toward premiums was 10% for single coverage and 11% for family coverage. Currently city employees pay 7.1% toward their premium with the city paying the rest. If the annual cost to the employee was increased, it would require a \$0.29/hour increase to cover the additional cost for a family plan. Jim Burdick feels if wages are adjusted to meet the ranges in the study, then the insurance costs should also meet the average. He also felt a wage increase should compensate for the increase in cost. Candy Davis wants to make sure no employee loses money when or if an adjustment is done. Staff was directed to calculate the cost for any adjustments.

Another policy that were discussed in the study is vacation accrual. Staff asked the committee to consider a PTO (paid time off) system for all employees hired after 2011. This option would place the annual allocation of leave time in a bank. The employee could then use the leave time for any reason. At the end of each year the employee could then bank any unused leave, up to 12 days, into a "sick bank" to be used for any Family Medical Leave qualifying event, or the bank could be converted at retirement to either a payout or health insurance. The committee agreed with the PTO option. Jim Burdick suggested possibly adding 5 vacation days after 20 years of service.

Currently the city does not offer a comp time option. Allowing this would provide more flexibility to the employee and reduce cost for the city. Employees can take overtime or comp hours as time off. The City would cap the amount of hours any one employee can accumulate and require all hours be used or paid out in the calendar year. The employee would have the option of taking the time off or getting the overtime paid out.

Lead Operators in the water and sewer departments currently are paid \$0.75 more per hour for any hours they are in charge. Staff is recommending this amount be built into the regular wage of the lead operators and “in-charge” pay only be given when the Municipal Services Director determines there is a need to have someone in charge of the utilities or the DPW.

Currently the wage scale has the two lead operators making different top wages. Staff is recommending the top wage (with certifications) for the two lead utility operators be adjusted so they are the same and the top wage (with certifications) for the utility and DPW operators be the same.

The Committee reviewed to address the progression through the pay ranges in the future. For hourly employees, staff would have an increase every year for a determined number of years to get them to the 50% wage range. Additional step increases would be given at longer intervals to get them to the 80% range. To obtain maximum wages employees would need to obtain education/certificates relevant to their jobs.

For salaried employees, staff is recommending scheduled increases to reach the 50% wage range by 10 years, after which merit increases can bring the employee to the top of the range.

Being no other business before the Committee, a Sarah Braun/Candy Davis motion to adjourn passed, all voted in favor.

Ramona Flanigan/wjl
City Adminsitrator

Memo

To: Personnel Committee
From: Staff
Date: 9/17/2021
Re: September 20, 2021 Meeting

Estimated costs to 2022 for the proposed actions.

1. Current employees below the range: Based on information gathered during and after the last meeting, staff provides the following proposal for bringing the library positions into the range: increase hourly wages for library employees in 2022 so that the Director is in the range and the senior most library assistants are at the bottom of the range. The proposal would also maintain the current wage rate separation for employees with different years of service. If other employees are brought to 25% or 50% of their ranges, the library positions would have to have greater increases to “catch them up” to the other employees in future years. The cost to the city for 2022 (including FICA and retirement) is **\$24,815**.
2. Current long-term employees who are below the middle of the range: The Committee asked for cost implications of bringing employees with at least 10 years of experience to either 25% or 50% of the range. Assuming those employees who received a wage increase to get into the range (#1 above) are not also increased by this action, the estimated cost of bringing 10-year employees to 25% of the range is **\$32,184** and the cost to bring employees to 50% of the range is **\$69,622**.

Who is impacted by this action? For employees having at least 10 years' experience, some hourly positions and no salaried positions would have an increase for the 25% range goal and all hourly and one salaried position would have an increase at the 50% of range goal.

3. Adjust insurances to more closely match peer communities: The committee asked for an analysis of the impact on the City if employees were required to increase contributions toward health insurance premiums to 10% and if employees were given a \$0.29 per hour wage increase to cover the increased cost. (\$0.29 is the hourly equivalent of the increased employees contribution toward premiums.) Due to the fact that many employees do not take family insurance, the net estimated **cost** to the city would be **\$7,865**. Staff recommends the committee not implement this policy at this time but instead address this issue annually with cost-of-living adjustments discussion.

Policies for Long Term Pay Plan

Progression through the pay ranges in the future: Staff proposed the following procedure for Committee discussion:

Hourly employees: A *Defined Increment Plan* for hourly employees, could function as follows: Implement step increases over the first ten or fifteen years to get employees to the middle of the wage range. Add additional steps every five years, up to 25 years, to get to 80% of the range. To obtain the maximum range, employees would have to obtain 2-3 certifications relevant to their jobs.

Salaried employees: An *Open Range Merit Plan* for salaried employees could operate as follows: scheduled increases (or initial salary) to reach the middle of the range by 10 years with satisfactory performance, after which merit increases can bring the employee to the top of the range.

Policies without Direct Cost Implicates

1. Vacation: Edgerton employees hired before December 31, 2011 have a maximum of 5 weeks of vacation. Employees hired after December 31, 2011 (the data that was used in the study) have a maximum of 3 weeks of vacation. The average maximum vacation of our peers is 24 days at 20 years compared to Edgerton's 15 days. Most cities have vacation increases through 20 years with 3 communities having increases at 25 years. Edgerton employees (hired after 2011) reach maximum vacation at 6 years.

Two communities in the study use Paid Time off (PTO) as opposed to separate leave types of vacation, sick, and personal days. One alternative to address the vacation shortfall for employees is to establish a PTO bank for employees hired after 2011 by placing the annual allocation of 12 sick days, 4 personal days, and 15 vacation days in a bank (total maximum days of 31).

With a PTO benefit, employees would be able to bank up to 12 days in a "sick bank" similar to the current practice of banking sick leave. The sick bank would be available for employees who are granted Family Medical Leave for qualifying events and the bank could be converted at retirement to either a payout or health insurance in accordance with the current policy.

The library can adopt its own policies and, because the majority of the library staff are part time, it may be advantageous for the Library Board to adopt different time off policies.

2. Comp time: The City currently does not offer comp time (other than for represented police officers). Comp time provides more flexibility to employees and may reduce costs for the City as employees are able to take "overtime" or "comp" hours as time off as opposed to being paid for overtime. (One hour worked equals one hour of time off.) If the city implemented a comp time policy, there would be a cap on how many hours could be accumulated and all hours would have to be used or paid out in a calendar year.

Potential Funding Sources:

- The retirement of TIF#5 will provide an increase in the levy limit of \$36,922.
- Approximately \$80,000 from the vacant Utility Director's position.
- The 2021 budget also included funding for capital projects. While it is a goal to fund as many capital projects as possible with "current" funds as opposed to borrowing for all projects, the Council could utilize some of the capital funds in the operating budget.

