



Meeting Minutes

Administration & Finance Committee

Aldersperson Kevin Haass, Chair

Aldersperson Martin J. Weigel, Vice-Chair

Alderspersons: Michael J. Czaplewski, Michael P. May, Daniel J. Roadt

Tuesday, August 16, 2016

6:03 PM

City Hall Room 128

SPECIAL MEETING (draft minutes)

A. CALL TO ORDER

Chair Haass called the meeting to order at 6:03 p.m.

B. ROLL CALL

Present 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

Others Attending

Charles Carlson, Carlson Dettmann Consulting; Ald. Lajsic; Rebecca Grill, City Administrator; Audrey Key, HR Director; Scott Post, City Attorney; Sally Nusslock, Health Director; Steve Bane, Fire Chief; Mason Pooler, Deputy Fire Chief; Barry Waddell, Police Captain; Jane Barwick, Principal HR Analyst; Jon Matte, Communications Director; Laura Temke, Health; Greg Keifer and Scott Travers, DPW; Gale Jender, Development; Pat Schrader, Fire; Marisa Szymwzkiewicz, Police; Jeanette Wardinski, Recording Secretary.

C. APPROVAL OF MINUTES

[2016-0507](#) Minutes (draft) July 21, 2016 and August 2, 2016.

A motion was made by Ald. Czaplewski, seconded by Ald. May, that this matter was Approved. The motion carried by the following vote:

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

D. CITY ADMINISTRATOR REPORT

1. Discussion Regarding Classification/Compensation Study:

- a.) Study Update and Additional Information
- b.) Market Comparisons
- c.) Market Position
- d.) Pay Structure and Administration
- e.) Next Steps

Ald. Haass recognized Mr. Charles Carlson, Partner of Carlson Dettmann Consulting, who is present to speak on the Classification/Compensation Study. Mr Carlson said the main purpose of his presentation is to begin to discuss the major policy issues of the Study. A handout was previously provided on the proposed market comparisons which Mr. Carlson referred to in disussing the nature of the market, i.e., where do you

hire from and where do you lose them to. That question is answered based on occupation of employees. He said the majority of positions can be filled in our local market; higher level positions require a greater range, e.g., state wide or national. He is not suggesting a regional look at this time, but a state limit. He said we don't want a small sample size, that there is an advantage of having a sampling of some size. He outlined the steps that need to be taken.

Job 1 is Market Comparison: He feels the suggested 15-20 state-wide sampling presented in the handout is a good number. He likes to measure 40% of job titles that employ over half of the work force. He is looking for the Committee to decide what they feel is a good list of communities to measure against, as suggested in the handout. They will do whatever matching can be done in the private sector and then determine how to rate/weight using a combination of private/public sector positions.

Job 2 is Market Position: Once Job 1 is done, will need to determine what pay position the city wants in the marketplace; e.g., pay what is being paid, etc.

Job 3 is Pay Structure/Administration: How do we manage a pay plan going forward, i.e., how do you move employees through a pay range. Options include across-the-board increases or pay for performance. He feels few employers do very well at pay for performance. He suggests caution with this option and give him the opportunity to assess this.

Next Steps

Week of September 12 - He plans to meet with Department Heads and question them on (1) what problems they may be having with the current classification system; (2) what is changing within the department (reorganization, retirements, problems hiring, etc.); (3) how well they think they are doing measuring performance. He will then report back to the Committee on his findings.

After Mr. Carlson's presentation, Committee members had several questions which Mr. Carlson responded to. Concern was expressed by Ald. May about the variables for market comparisons, specifically the inclusion of the rich/poor communities. Mr. Carlson responded that these highs/lows tend to wash each other out. He pointed out that there are other public sector comparisons that can be included like counties. He confirmed that West Milwaukee would be included in the sampling. Mr. Carlson also said he would rather over sample than only choosing those few that are closest in comparison to West Allis. Ald. Weigel asked how information from other communities is obtained. Mr. Carlson said they are constantly doing surveys, and the best way is to get the actual pay plans which are added to their proprietary database. He uses data that is no more than two years old, so they are continually updating/refreshing their information.

Chair Haass asked what Mr. Carlson needs from the Committee at this point, and Mr. Carlson said he needs the Committee's approval to use the list of comparable communities presented. When Ald. May suggested that high/lows (Beloit and Brookfield) be removed, Mr. Carlson suggested not. When reviewing the data, he looks at population and proximity to the labor market and these highs/lows don't necessarily correlate to more or less pay in comparison. Ald. May also asked when Mr. Carlson determines groups/positions, and Mr. Carlson responded that for planning ahead, he will want to know if the city wants to deviate from the average. There are other considerations including health insurance and retiree health insurance. Discussion continued about all factors considered in the review, e.g., labor market, how college students do paywise when entering the job market, what technical colleges are doing

as far as job placement, etc.

Ald. Weigel asked how pay for performance is measured. Mr. Carlson commented that it requires consistency, accountability, enforcement and money. He will be assessing the city's internal capacity to be able to do this and how it's performed; he also mentioned rating biases. Additional discussion ensued on this topic.

Mr. Carlson additionally commented that in the context of compensation, he will also come back with comments about the city's benefit program. A recent study he read reports that 2/3 of employees value benefits more than pay. He mentioned the main benefits provided to employees are those required, like social security/unemployment/workers comp; pension; paid time off, and health insurance. Discussion continued on benefits. In regard to pay structure, Ald. May asked if they will be looking at all parts of the pay range. Mr. Carlson responded that a pay plan is linked to a target, which is generally the mid-point, and the size of pay range depends on the pay plan being established. He confirmed that they will be coming back with pay ranges and how mid-points are arrived at.

There being no further questions/comments from Committee members, Chair Haass asked what time frame we are looking at for the the next steps. Mr. Carlson outlined the following:

- * Just after Labor Day: All job description questionnaires (JDQ) submitted.*
- * Dept. Heads interviewed the week of Sept. 12.*
- * A point factor evaluation will be done for every JDQ.*
- * By late October, they will be pulling data and starting to look at where we are at.*
- * Plan to report back to Committee before Thanksgiving.*

The Committee concurred with this time frame and thanked Mr. Carlson for his presentation.

2. Budget Status Update.

Chair Haass asked for Ms. Grill's budget report. Ms. Grill said we are starting to get get numbers in for the expenditure restraint program (ERP) limit, and it is about the same as last year--\$394K in 2015 and \$403K projected this year. Budget meetings are being held with all departments and should be concluded in the next few weeks. She commented that we are already beyond the ERP, so decisions will have to be made. When asked if there have been any major budget issues this year, Ms. Grill said not at this time. We are still getting information from departments and do not envision any health care changes. The Committee asked that Ms. Grill continue to keep them informed on budget status, especially if anything unusual comes up.

E. ADJOURNMENT

A motion was made by Ald. Weigel, seconded by Ald. Haass, that the meeting be adjourned at 6:58 p.m. The motion carried unanimously.