



**CITY OF STURGEON BAY
PERSONNEL COMMITTEE
WEDNESDAY, JANUARY 29, 2020
Council Chambers - 421 Michigan Street
1:30 P.M.**

1. Roll call.
2. Adoption of agenda.
3. Presentation by: Public Administration Associates re: Wage & Compensation Study.
4. Consideration of: Reducing Age of Employment to 15 years old for Ice Rink Attendant position.
5. Consideration of: Change of payroll for non-represented employees to bi-weekly.
6. Consideration of: Post Employment Health Reimbursement Plan Changes to Employee Handbook.
7. Consideration of: Employee Benefits.
8. Consideration of: Internal policy for use of carry over vacation.
9. Adjourn.

Personnel Committee Members:
Dan Williams, Chr.
Helen Bacon, Vice-Chr.
Kelly Avenson

Posted:

Date: 1/24/20
Time: 11:00 am
By: slr

Executive Summary

Date: 20 January 2020

Title: Reducing Age of Employment to 15 for Ice Rink Attendant

Background: The Municipal Services department has experienced difficulty in hiring ice rink attendants over the past two seasons. In the 2019 – 2020 winter the void was often filled by volunteers from St. John Bosco School and members from staff. This reduced the amount of time that the rink was open for residents to enjoy the rink. Although at this point the ice rink has not been opened due to very mild temperatures, this season we only received one application. This applicant was a college student who would have a very limited schedule once classes were back in session. This would have often left the ice rink unattended which means the free skates we have available would have not been available for use.

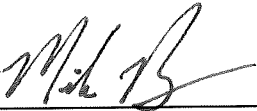
Proposal:

I propose allowing 15 year olds staff the ice rink. I feel in doing so we would have better luck properly staffing thus allowing more residents use the facility.

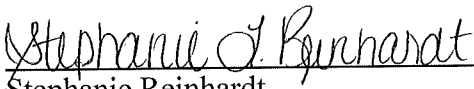
Fiscal Impacts:

There would be no fiscal impact.

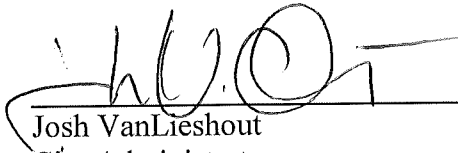
Recommendation: Staff fully supports and recommends the hiring of 15 year olds to staff the ice rink.

Prepared By: 
Mike Barker
Municipal Services Director

Date: 20 JAN 2020

Reviewed By: 
Stephanie Reinhardt
Human Resources Director

Date: 1/20/2020

Reviewed By: 
Josh VanLieshout
City Administrator

Date: Jan 21, 2020

EXECUTIVE SUMMARY

TITLE: Bi-weekly Payroll (every two weeks)

BACKGROUND: Currently, the City pays all employees on a weekly basis with a Friday pay date. During negotiations with the Police and Fire unions, the City proposed changing from a weekly payroll to a bi-weekly payroll with a Tuesday pay date. Both unions agreed to implementation in July of 2020. The employer will continue with an electronic payroll check system.

It is anticipated this change will provide department heads, supervisors, and administrative staff with time saving opportunities to be used for less repetitive and more productive tasks. Additionally, this change will allow for better coverage and cross training not only in the Clerk/Treasurer's office but other departments as well.

- OPTIONS:
- 1) Implement a bi-weekly payroll for non-represented employees.
 - 2) Continue processing payroll on a weekly basis.

RECOMMENDATION:

Recommend to the Common Council to implement a bi-weekly payroll for non-represented employees and update the Personnel Handbook accordingly.

PREPARED BY: Valerie J. Clarizio 1/22/20
 Valerie J. Clarizio Date
 Finance Director/City Treasurer

REVIEWED BY: Joshua J. Van Lieshout 1/22/20
 Joshua J. Van Lieshout Date
 City Administrator

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b.

EXECUTIVE SUMMARY

TITLE: Consideration of: Post employment health reimbursement plan changes to Employee Handbook.

BACKGROUND: During recent union contract negotiations, the Council adopted a resolution to be a part of North Shore Banks Deferred Compensation Plan.

Inclusion in this plan allows for employees to direct their accumulated sick leave upon retirement, disability or death into a post-employment health reimbursement plan qualified under IRS Code Sections 105 and 106. There is a mutual benefit conferred to both the employer and employee in form the payroll tax and income tax savings.

The system is graduated to reflect the idea that if an early retirement is to happen, that employee will likely need the benefit of the HRA longer as Medicare eligibility is further off. The closer an employee is to Medicare at their time of retirement the less likely they will need to purchase insurance, but will likely have other needs, such a supplemental insurance, or have higher health care costs. This program would be available to all non-represented employees covered by the Employee Handbook.

At this time, we are recommending that the language in the Employee Handbook as follows:

Upon retirement, disability or death: for employees between the ages of 50 and 54, 100% of all accumulated sick leave shall be directed into a post-employment health reimbursement plan qualified under IRS Code 105 and 106. Qualified retirement means the employee is entitled to retirement benefits as defined by the Wisconsin Retirement Fund at the time of separation of employment. In the event there are no dependents or spouse, the credits will be forfeited to the employer.

Upon retirement, disability or death: For employees between the ages of 55 and 60, 80% of all accumulated sick leave shall be directed into a post-employment health reimbursement plan qualified under IRS Code 105 and 106. The employee or the employee's beneficiary shall be paid for twenty (20) percent of his or her unused sick leave in cash upon the employee's retirement at normal retirement age or with eligibility for disability retirement benefits under the Wisconsin Retirement System, or death. In the event there are no dependents or spouse, the credits will be forfeited to the employer. Qualified retirement means the employee is entitled to retirement benefits as defined by the Wisconsin Retirement Fund at the time of separation of employment. In the event there are no dependents or spouse, the credits will be forfeited to the employer.

Upon retirement, disability or death: for employees age 61 and older, 60% of all accumulated sick leave shall be directed into a post-employment health reimbursement plan qualified under IRS Code 105 and 106. The employee or the employee's beneficiary shall be paid for forty (40) percent of his or her unused sick leave in cash upon the employee's retirement at normal retirement age or with eligibility for disability retirement benefits under the Wisconsin Retirement System, or death. In the event there are no dependents or spouse, the credits will be forfeited to the employer. Qualified retirement means the employee is entitled to retirement benefits as defined by the Wisconsin Retirement Fund at the time of separation of employment. In the event there are no dependents or spouse, the credits will be forfeited to the employer.

Upon retirement, disability or death: Employees in a Military Veteran Group, shall be paid out upon qualified retirement, disability or death at the regular hourly rate for the accrued and unused sick leave. Qualified retirement means the employee is entitled to retirement benefits as defined by the Wisconsin Retirement Fund at the time of separation of employment. In the event there are no dependents or spouse, the credits will be forfeited to the employer.

RECOMMENDATION: Approve the above changes.

PREPARED BY: Stephanie L. Reinhardt
Stephanie L/Reinhardt, City Clerk/HR Director

REVIEWED BY: J. VanLieshout
Josh VanLieshout, City Administrator

DATE: January 20, 2020

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EXECUTIVE SUMMARY

7.

TITLE: Consideration of: Employee Benefits.

BACKGROUND: In reviewing a number of benefits in the Employee Handbook, it has been determined that a modification of some benefits may be in order. In analyzing the non-represented employee benefits (both exempt and non-exempt) while much parity has been realized between bargaining unit employees and non-represented employees a chasm exists where vacation is concerned. In some cases, subordinate bargaining unit employees with less work experience and have more vacation that long term senior management staff members. This is difficult, if not impossible to reconcile.

To address this, I am proposing the following adjustments to the Employee Handbook by adding days to the later years in the vacation schedule and propose the following:

Vacation:

5 days (40 hours) upon hire [remain the same]

Ten (10) days (80 hours) after two (2) years of continuous service [remain the same]

~~Fifteen (15) days~~ **Seventeen (17) days (136 hours)** after eight (8) years of continuous service

~~Twenty (20) days (160 hours)~~ **Twenty-three (23) days (184 hour)** after fifteen (15) years of continuous service

~~Twenty-five (25) days (200 hours)~~ **Twenty-nine (29) days (232 hours)** after twenty-five (25) years of continuous service

As I interact with management staff and others and hear various perspectives towards management from non-exempt staff, there seems to be a reluctance to join or, in some cases, stay in leadership and management roles. Reasons cited often include: more hours, unscheduled nature of management in small organization, reward and risk for accepting additional duties, responsibility and accountability and the nature of how the Wisconsin Retirement System is organized. It isn't uncommon to hear people "why would I join or continue in management and take on the additional duties when my retirement is based on the three highest years income." With an aging workforce and a predictable need to backfill eventual vacancies in management positions a reasonable step needs to be taken to encourage people to step forward.

Much thought was given as to how reward or incentivize a longer-term perspective and join or stay in leadership and management positions. The challenge is doing this without appearing extravagant, over spending, or incurring upfront costs.

Two opportunities revealed themselves, both involve a measure delayed benefit, but the benefit is both predictable (for employer) and valuable (for employee) and am proposing adjustment to Employee Handbook for management employees only, where management employees would be defined as "salary exempt staff who have oversight of one or more employees."

Management Premium:

- Longevity Reward be increased from \$1.25 to \$2.50. Longevity rewards are currently paid out after three years of continuous service at \$1.25 per month. The increase for Management Premium would increase this from \$1.25 to \$2.50.

- Sick Leave Accumulation increase from 100 days to 150 days. Sick leave accumulation is currently that an employee's base sick leave is accrual of 100 days. The increase for Management Premium would increase from 100 to 150.

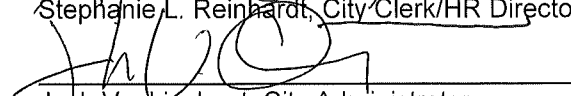
These premiums would reward longevity and experiences, support employee retention and recruitment and encourage employees to remain in management and leadership roles.

RECOMMENDATION: Approve the above changes.

PREPARED BY:


Stephanie L. Reinhardt, City Clerk/HR Director

REVIEWED BY:


Josh VanLieshout, City Administrator

DATE:

January 20, 2020

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8.

EXECUTIVE SUMMARY

TITLE: Consideration of: Internal Policy for carry over vacation use.

BACKGROUND: The Personnel Committee approved a change to the carry over vacation policy that states the maximum number of hours that an employee can carryover from their anniversary date will be 40 hours.

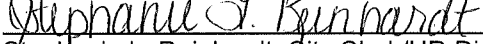
The discussion took place, at that time, that an internal policy should be put into place to allow those employees who had large vacation carry over balances an adequate amount of time to use the hours on the books.

After consulting with other municipalities that have been in a similar circumstance it seems appropriate to put the following internal policy in place:

- Allow employees who have "carryover" vacation on the books until December 31, 2021 to use the carry over vacation or lose it.
- No payout of unused vacation.
- Employees must still abide by the new policy set in place for January 1, 2020 regarding the max carry over of 40 hours.
- Only in the case of extreme circumstances and with Mayoral approval, will deviation beyond December 31, 2021 be allowed.

FISCAL IMPACT: Those that have prior vacation carry over may be out of the office to use the hours but no payout of unused vacation will be permitted.

RECOMMENDATION: Approve the Internal Policy for use of carry over vacation.

PREPARED BY: 
Stephanie L. Reinhardt, City Clerk/HR Director

REVIEWED BY: 
Josh VanLieshout, City Administrator

DATE: January 20, 2020