FINANCE, BUDGET AND PERSONNEL COMMITTEE
MINUTES OF OCTOBER 5, 2004

Meeting called to order by Chairman Bennington at 5:30 p.m., in the Common Council Chambers, City Hall Plaza.
PRESENT: Jerry Bennington, Sr., Edward Beaudry, Jr., Russ Stauber and Ray Gougeon
ABSENT: Brad Parks
ALSO PRESENT: Alderman Krueger, City Administrator Brehm, Mayor Meyers and City Personnel (Keith Strey, Brenda Hanson, Gregg Cleveland, Lara Baehr, Lori Belongia, Ed Englehart, Dan Knoeck, Joe Stroik, Lorrie Krokstrom, Kurt Bornbach, Tim Cassidy, Dick Pokorny, Amber Miller, Josh Mauritz and Deb Hall).

FBP04-125 Motion by Stauber, second by Gougeon to approve payroll in the amount of $672,458.89 and the bills in the amount of $590,691.51 as recommended by the Finance Director. All Ayes
Motion carried

FBP04-126 Motion by Beaudry, second by Stauber to accept and place on file the Monthly Position Control Status Report as of September 30, 2004. All Ayes
Motion carried

FBP04-127 Motion by Gougeon, second by Beaudry to approve filling the vacant Police Officer position in the Police Department. All Ayes
Motion carried

FBP04-128 Motion by Stauber, second Gougeon to approve Resolution No. 2004-42, adjusting the pay for temporary, seasonal and part-time positions effective January 1, 2005. All Ayes
Motion carried

Discussion was held on the compensation levels for elected positions, specifically the City Clerk, Municipal Court Judge and Alderpersons.

Human Resources Specialist Baehr explained that they recommended a 2.5% increase for these positions because they are recommending a 2.5% increase for all positions to maintain some equity with our external and internal comparables. She conducted a salary survey and for all three of these positions, they are slightly below the average. The City of Marshfield is not a leader in setting salary levels in any of the city's positions.

FBP04-129 Motion by Gougeon, second by Beaudry to recommend that Ordinance No. 1030, increasing compensation for Aldermen effective April 19, 2005 at $2,993 per year, be referred to the Common Council for a First Reading; to approve Payroll Resolution No.2004-43, setting compensation for the City Clerk effective May 2005 at $44,765 and May 1, 2006 at $45,884 and refer to the Common Council and to approve Payroll Resolution No.2004-44, setting compensation for the Municipal Court Judge effective May 2005 at $14,367 and May 1, 2006 at $14,726 and refer to the Common Council. Bennington voted Naye, rest Aye.
Motion carried

Discussion was held on adopting a salary schedule for non-represented employees and adjusting the salary schedule for non-represented position classifications. A 2.5% increase was recommended for both.

Administrator Brehm said that for both of the resolutions there was language inserted in there similar to language that was inserted in previous payroll resolutions in years passed, not so currently. Basically the recommendation is that the pay be adjusted by the greater of 2.5% or the average of the union's settlements. Back in the 1970's and 1980's this was common language. The basis is to treat all the employees the same and be consistent.

For the last several years, the non-represented employees have taken less in pay as far as percentage increases than the represented employees. Compounded with the fact that their health insurance benefits have been reduced a lot faster and with greater impact than the represented employees. Although some concessions were made by the unions to reduce the level of benefits they were then given additional compensation to accept those reduced health insurance benefits.

FBP04-130 Motion by Stauber, second by Gougeon to deny Payroll Resolution No. 2004-45 and Payroll Resolution No. 2004-46.

Alderman Stauber said that he needs more time to think about this. This was poorly presented. He was OK with the 2.5% but he doesn't like the way the language was inserted into the resolutions.

Vote on motion **FBP04-130**; Beaudry voted Naye, rest Aye.
Motion carried

FBP04-131 Motion by Gougeon, second by Beaudry to approve a 2.5% increase for Payroll Resolution 2004-45, adopting a salary schedule for non-represented position classifications of the City of Marshfield effective January 1, 2005; and a 2.5 % increase for Payroll Resolution No. 2004-46, authorizing performance-based compensation adjustments for non-represented employees.

Human Resources Specialist Baehr indicated that the payroll resolution also makes a recommendation in changing the title of the Human Resources Specialist to Human Resources Manager. The reason for the change is because the Specialist position is typically a title you would find in a larger organization where they have multiple HR people and that person focuses in on one thing. There are no adjustments in any way except for the title.

Vote on motion **FBP04-131**; All Ayes
Motion carried

FBP04-132 Motion by Gougeon, second by Beaudry to recommend approval of Budget Resolution No. 15-2004 to the Common Council, transferring $6,900 from the Finance Department budget to the City Hall Plaza budget for office remodeling. All Ayes
Motion carried

The purpose of a merit plan is to provide an incentive that is related to performance. It is an extension of both the pay plan and annual performance appraisal system. To be meaningful, the plan also requires a candid ongoing assessment of individual compensation levels within the respective pay ranges. The merit concept is meaningful only where an adjustment is tied to performance and does not become part of the base. The merit plan would be for a performance exceeding what the performance standards are currently at.

The merit plan pertains to employees that are at midpoint or above

Alderman Stauber-Regarding internal checks and balances. He would like to add a clause in the policy that final approval must be granted by the Finance, Budget and Personnel Committee. This could serve as a final check.

Administrator Brehm responded that per Common Council policy, it is the policy to have those evaluations done by staff. Certainly if there is an appeal process where staff does not agree with a particular employees viewpoint that ultimately that decision could be made by the Finance Committee and the Council through approval. He is not sure whether or not he could see a benefit of the Finance Committee approving each and every annual evaluation.

Alderman Stauber said that he would like to see who is being given merit pay and who is not.

FBP04-000 Motion by Stauber to approve revised Personnel Policy No. 3.800, Compensation Plan Administration allowing for the implementation of a merit plan effective January 1, 2005 with the addition of the wording, "final approval of any merit increases be approved by the Finance, Budget and Personnel Committee".
Motion died for lack of a second

FBP04-133 Motion by Beaudry, second by Gougeon to approve revised Personnel Policy No. 3.800, allowing for the implementation of a merit plan effective January 1, 2005 as presented.

Administrator Brehm stated that if the Finance Committee would want to know which employees had an exceptional performance and were eligible for a merit increase, his office can provide a list of employees with the specific reasons why that employee was given a merit adjustment.

Alderman Stauber said that he could support this if that wording was included in the policy but as the motion reads right now, he can't support it.

Vote on motion **FBP04-133**; Stauber voted Naye, rest Aye.
Motion carried

Motion by Gougeon, second by Bennington to adjourn at 6:57 p.m.
Motion carried

Deb M. Hall
City Clerk