

APPROVED

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION**

DATE/TIME: September 11, 2023, at 4:45 p.m.
LOCATION: City Hall (407 Grant Street) – Council Chambers
MEMBERS PRESENT: Becky McElhaney (C), Gary Gisselman, Dawn Herbst, Tom Killian, Michael Martens
MEMBERS ABSENT:
Also Present: J. Henderson, Mayor Rosenberg, E. Lindman, M. Barnes, M. Groat

Approval of August 8, 2023 and August 14, 2023 Minutes.

Motion by Gisselman to approve the August 8, 2023 and August 14, 2023 Human Resources Committee Meeting minutes. Second by Herbst. No questions or discussion. All ayes. Motion passes 5-0.

Human Resources Report for August 2023.

No questions were brought forward by the Committee.

Discussion and Possible Action Approving Reclassification of the Accounting Assistant – Utility to Utility Revenue Analyst.

Henderson explained that this request came forward from the Finance Department and after a review of the increase of duties and responsibilities of the position he agreed that the position should be reclassified. Maryanne Groat said that the position runs the entire utility accounts receivables systems, ensures coordination of meter reading software, communication towers are communicating properly, and works with the online billing portal, making this position more complex than it had been in past years.

Gisselman asked if the position resided in Finance or Utility; Groat said the position resides in the Finance Department but is funded by the Utility.

Motion by Gisselman to approve the reclassification of the Accounting Assistant – Utility to Utility Revenue Analyst. Second by Herbst. All ayes. Motion passed 5-0.

Discussion and Possible Action Approving the Completed Compensation Study.

Henderson said the recommendation was to raise the pay bands by 3%. Henderson said that he included the recommendations to reclassify the City Attorney position, Assistant City Attorney position, and City Clerk position, as these were given to Gallagher to determine if they were properly classified.

Martens asked if the 3% was for non-represented employees; Henderson said yes, this would just apply to the current pay matrix for general City employees. Martens asked if this included any cost-of-living increases; Henderson said no, that would be separate.

Gisselman asked what percentage of increases the unions are receiving for 2023 and beyond; Henderson said he didn't know because the new contracts will be done in next year. Gisselman asked what the increases were for the last contracts; Henderson said he wasn't here when the contracts were done but thinks it is around 4% and asked Matthew Barnes if he knew. Barnes said it was an average of 5-6 ½ % depending on where someone was at. Gisselman said that thinks the percentage of increase for general employees should be more in line with the percentages the unions are receiving. Henderson explained that general employees also receive step increases, and if a cost-of-living increase is also approved, the increases will add up. Henderson said that non-union wage increases cannot keep up with union wage increases, but that the starting rate for jobs with the City of Wausau for someone with a high school education are very good.

Killian expressed his views of private sector verses public sector and union verses non-union wages.

McElhane asked if Gallagher used comparables to come up with their recommendation. Henderson said yes. McElhane said that she wants everyone to understand that Gallagher used comparable organizations to determine their recommendations and will assume that the study is accurate; she went on to express her frustration with conducting wage studies and hearing opinions that the results aren't accurate from those who disagree with the outcome.

Martens said he feels that 3% is a good increase and brought up the changes that were implemented post-covid to help with recruitment efforts, such as six-month step increases until midpoint, and thinks that a study coming back that we are only 3% under market bodes well for the City.

Gisselman said that he will stand with whatever the committee decides but thought that the study would be done sooner, and any adjustments would have been implemented by now.

Motion by Herbst to approve the completed compensation study. Second by Martens. All ayes. Motion passed 5-0.

Discussion and Possible Action Approving Incentive Pay for Wausau Water Works Utility.

Eric Lindman explained that his staff has been working on an incentive pay plan for the Water and Wastewater department employees to receive incentive pay to obtain required and optional related certifications. Lindman said that this would be a way to develop employees and by offering incentive pay to receive certifications, employees will be driven to obtain and maintain certifications.

Killian asked Lindman when the study mentioned at the latest utility commission meeting was done; Lindman said it was a staffing assessment study that also looked at wages and was done in 2022. Killian asked what the procurement approval process was for the study; Lindman said it went through the Utility Commission. Killian asked for the cost of the study; Lindman said it was \$40,000.

Martens asked if he was correct in remembering that Public Works has an incentive program as well and how it was working. Lindman said that an incentive program was put in place for mechanics to earn certifications and believes it's working well.

Herbst said she believes an incentive program is a great idea and way to train employees and have them earn more money.

Killian asked for Lindman's comments related to the conversation that took place during the Water Commission meeting regarding certified and uncertified wage rates and comparable municipalities. Discussion took place amongst several staff and committee members related to utility hiring, wages, and facilities.

Gisselman asked if certifications were common for departments. Henderson said that he agrees with approving the certification incentive pay proposed. Gisselman asked about fiscal impact; Henderson said that fiscal impact cannot be determined because it won't be known who will participate and obtain the certifications.

Motion by Gisselman to approve incentive pay for Wausau Water Works Utility. Second by Martens. All ayes. Motion passed 5-0.

Discussion and Possible Action Approving 3 New Positions at Wausau Water Works Beginning in 2024.

Lindman said the staffing assessment study recommended additional staff and he is asking for 3 positions to be added in 2024, one at the Water Department, and two at the Wastewater Department. Lindman said he will request additional positions to be added in 2025 as well but wants to add positions gradually to allow time to train employees and also allow time for current staff to become more familiar with the new water plant operations before bringing on more staff.

Gisselman asked if this request was approved by the utility commission. Lindman said it was not, that the commission requested these items to be brought to the HR Committee for a recommendation and they will be brought back to the utility commission for approval. Mayor Rosenberg said that it was her wish to have these items brought to the HR Committee so that the Council and utility commission are on the same page. Gisselman said that if Lindman felt more staff is needed to run the utility that the request should be approved. Herbst agreed with Gisselman.

McElhaney asked for the fiscal impact of adding the requested positions. Lindman said that it would be about \$110,000 for the water department and \$182,000 for the wastewater department. Herbst asked if Groat would be able to find money, but McElhaney reminded her that these positions are paid out of the utility funds. McElhaney asked if these positions were included in the 65% rate increase. Lindman was unsure but said he would find out and get that information to the commission.

Killian said he felt it would be beneficial to have some joint meetings that cover human resources related items with finance and possibly the water commission to have topics covered and discussed wholly that would allow for financial decisions to be taken into consideration.

Motion by Gisselman to approve 3 new positions for Wausau Water Works Utility. Second by Killian. All ayes. Motion passed 5-0.

Discussion and Possible Action Approving Organizational Changes and Reclassifications for Wausau Water Works.

Lindman said that the utility has been trying for the past 3-4 years to figure out how to reorganize within the pay structure approved by Council. Lindman said he believes that the city of Wausau utility positions are underpaid according to data he has seen and discussed the proposed changes to the organization chart and reclassification requests.

Henderson expressed that this request for reclassifying positions falls outside of the method currently used, and that reclassifying positions because someone feels that they aren't paid enough isn't satisfactory or fair. Lindman said that he looked at data from AWWA, WI Rural Water, and other comparables and the utility has been underpaid since the implementation of the last wage study in 2019.

Killian said he would like the committee to consider having joint meetings with relevant bodies to further discuss this item. Killian said that he agreed with Henderson's comments and if the utility is in such a critical state, it would be helpful to have meetings between the utility and the city to be able to reach a consensus on how to move forward; Killian said he would not support this item at this time. McElhaney asked for clarification of what bodies Killian would like to have meet. Killian said on the financial side, he would like to see a joint meeting with the utility commission and finance that includes finance staff input on the pilot program. Killian said it would also be helpful for the human resources committee, or possibly a committee of the whole, to meet with the utility commission to address items of concern.

Gisselman said that he agrees with the proposal to have joint meetings.

McElhaney said that she agrees and cannot vote on something that she does not know the fiscal impact, especially if the impact is tied to rates for citizens. McElhaney asked Groat if this was included in the 65% rate increase. Groat said that she reached out to the vendor who provided the information to see if the 3 positions were included in the rate increase but did not receive a response yet. McElhaney asked if the \$450,000 for the reorganization and reclassifications was included in the rate increase; Groat said it was not. Groat said that she would be able to put together the information of what the impact to rates would be and also provide options as mentioned by Killian. She said that the pilot program was froze and that the City has some large expenses coming up, such as the 12 firefighters that are unfunded, the community outreach position that is unfunded, and the public works facility and that things should be looked at in a wholistic approach with all expenses. Killian spoke to Groat about the types of options he would like to see with financial information that would be beneficial for the policy makers to have for making policies.

Gisselman asked Rosenberg if she had a recommendation on how the committee should proceed. Rosenberg said that she did not have a recommendation but wanted everyone to be on the same page, and however the committee proceeds she will support.

McElhaney asked how the committee would like to proceed. Gisselman said he approves of the human resources committee meeting with the water commission. The committee agreed. McElhaney said she would take a motion to table this item pending a joint meeting of the human resources committee and water works commission.

Motion by Gisselman to table approving organizational changes and reclassifications for Wausau Water Works pending a joint meeting of the human resources committee and the water works commission. Second by Killian. All ayes. Motion passed 5-0.

Adjournment.

Motion by Herbst to adjourn. Second by Killian. Meeting was adjourned.

Rebecca McElhaney
Human Resources Committee, Chair

Video available: <https://www.youtube.com/watch?v=jEj3TljLqJk>