



**Approved Minutes for the
Administrative Services Committee
Thursday, August 21, 2014 – 6:00 pm
Health & Human Services Center – Community Room
303 W. Chapel Street
Dodgeville, Wisconsin**

**Iowa
County
Wisconsin**

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| 1 | Call to order: Meeting called to order by Chair Carol Anderson at 6:00 p.m. |
| 2 | Present: Carol Anderson, Ron Benish, Tom DeLain, Dave Gollon, Jim Griffiths, Judy Lindholm, Greg Parman, John Meyers, and Curt Peterson.
Others Present: Supervisors Ken Palzkill, Bruce Paull, Consultant Charlie Carlson and Katie McCloskey of Carlson-Dettman Consulting, Allison Leitzinger, Employee Relations Assistant, Curt Kephart County Administrator, Roxie Hamilton Finance Director, Janet Butteris, Tom Slaney, Bernie Casper and Judy Casper |
| 3 | Approval of Agenda: Motion by Lindholm seconded by Benish to approve the August 21, 2014 agenda as submitted. Motion adopted. |
| 4 | Approval of Minutes: The August 12, 2014 meeting minutes were not available at this time and will be approved at the September 9, 2014 meeting. |
| 5 | Public Comment: Citizen Janet Butteris asked if Carlson Dettmann would be releasing all of the data that they gathered in completing the comp study. Mr. Carlson stated that data base would not be released as it is proprietary property of Carlson Dettmann. Supervisor Anderson distributed an article from the WI State Journal on municipalities that are considering a wheel tax and thought it was timely based on the budget discussions previously held in the ASC Committee. |
| 6 | Compensation Plan Updated: Mr. Carlson provided an overview on the pay study process and the information that was used to determine market and classification. He distributed handouts with cost analysis to provide two options for the Committee to review. There is a base cost to implement the study and depending upon which plan is adopted, the cost varies based upon implementation and style of the pay plan.

He also distributed an Iowa County Market summary that included a 25 th and 75 th percentile showing general information regarding total positions relative to market. He distributed a graph of the Comparison of current and market regression lines of best fit and reviewed this with the committee explaining how a group of positions would be clustered in a pay range. A regression graph of median market pay on job evaluation was distributed and reviewed. |

Mr. Carlson also distributed two suggested pay structures for discussion, a Step Structure and Combination Structure. He outlined that there were options that other municipalities had considered. First proposed pay structure – Step Structure Pay Plan: includes steps from minimum to control point, and steps to maximum. There are advantages to this pay plan – easy to determine the cost and employees know what to expect – very predictable and treats everyone the same. This is typically preferred by employees because most public employees are not used to pay for performance models.

Second proposed pay structure – A Combo Pay Plan: This includes steps to the control point and an open range from control point to maximum which could be used for pay for performance. Every step is earned on a meet standard evaluation and pay for performance would be based upon exceeds standard. There was discussion on how the schedule is maintained and Mr. Carlson stated the control point is usually adjusted depending on the rate of inflation and the rest of the structure flows from the control point adjustment.

The question for the committee to decide is to develop a policy choice and determine which pay structure they would adopt to move the County forward with. These preliminary cost analysis for each plan do not consider fixed benefits such as FICA or WRS retirement.

Sup Gollon asked if benefit cost was considered and Mr. Carlson stated that benefit cost has been analyzed and is reflected in four major buckets:

6 Bucket # 1 – required benefits: FICA, Medicare, Workers Compensation and Unemployment Compensation and covers all employers the same.

Bucket #2 – Paid time off: Public sector costs are higher because the workforce is usually has more senior employees than the private sector employer and paid time off is often based on length of service. Many public employers have sick leave that accumulates and may get paid out at retirement. Once amounts are adjusted for length of service Iowa County's MTO plan is not more generous than the public and private sector.

Bucket #3 – Retirement: Public employer cost for the WRS retirement plan is half again higher than the typical private sector 401K – about 3% higher but this is also public employers calling card and incentive to draw new employees as Defined Benefit Plans are not all that common anymore.

Bucket #4 – Health Insurance: The affordable care act put everyone in the health insurance comparison business. A schedule was distributed comparing health insurance rates. Mr. Carlson said Iowa County is a little higher than nationwide averages but we are good overall because of our location in proximity to Madison. The municipalities in Northern Wisconsin health insurance annual cost is \$9,000 to \$10,000 higher than Iowa County's cost.

Motion by Meyers seconded by Lindholm to recommend to the County Board adoption of the Combination Plan model for all non-represented staff as outlined by Mr. Carlson and to request specific cost data for review at the September 9th ASC meeting. Motion adopted.

7	<p>The Administrator distributed and discussed a guideline for implementation of a new classification compensation plan. He proposed an October 2014 implementation with guidelines based upon the preliminary numbers provided by Carlson – Dettman. His recommendation is to implement the new plan by October 5th 2014 and bring any employee who is below the entry point of the range into the pay plan within two years and no later than 2016. Individuals who are 10% or more below the entry point will be phased into the plan. Individuals who are 10% or less below the entry point could be brought to the entry point of the range in 2014. Based upon preliminary estimates of cost to implement this study there should be enough funds in Contingency to begin implementation in 2014 however, there is an embedded cost that will have to be covered in the 2015/16 budgets with new levy dollars and not carryovers to prevent a structural deficit. Preliminary budget figures for 2015 are taking this into account.</p>
7	<p>The Employee Relations Assistant distributed a summary of paid leave and benefit comparisons of the 13 counties used by Iowa County in this study. This report included all but three of the Counties due to lack of data from those three. It is difficult to compare any two counties as their benefits may vary greatly however Iowa County appears to be competitive in benefits and Mr. Carlson congratulated the County on being visionary moving to Paid Time Off and analyzing benefits in this manner.</p> <p>Motion by Parman seconded by Griffiths to request staff provide an implementation plan with cost analysis at the September 9, 2014 Administration Services Committee meeting. Motion adopted.</p>
8	<p>2015 Budget Update: The Finance Director distributed a history of Iowa County's Budget Summary information. Discussion followed on net new construction and the impact to the tax levy. Several Departments are reporting in with voluntary budget reductions however the larger Departments are seeking significant increases. Members of the Committee expressed gratitude to the Finance Director for providing the information. Preliminary data on Health Insurance rates will become available next week as the Finance Director will be attending the ETF meeting.</p>
9	<p>Next meeting date. The next meeting date is September 9, 2014.</p>
10	<p>Adjournment: Motion by Gollon second by Benish to adjourn the meeting at 8:06 p.m. Motion adopted.</p>