



FINANCE COMMITTEE MEETING AGENDA

MONDAY, APRIL 07, 2025 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Virtual Meeting Info: <https://us06web.zoom.us/join> Meeting ID: 282 485 6600 Passcode: 53098 One tap mobile +16469313860

1. CALL TO ORDER

2. REVIEW AND APPROVE MINUTES

A. Finance Committee minutes from March 24, 2025

3. BUSINESS

A. Review and take possible action: New vending machine

B. Review and take action: Modify employee handbook sections related to group health insurance changes

C. Review and discuss: McGrath pay study report

D. Convene into closed session per §19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved (status of claims against the City)

E. Reconvene into open session

F. Review and take possible action: recommend course of action of claims to Common Council

4. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at cityclerk@watertownwi.gov phone 920-262-4000

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only



FINANCE COMMITTEE MEETING MINUTES

MONDAY, MARCH 24, 2025, AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Finance Committee members present: Mayor McFarland, Alderpersons Bartz, Davis, and Moldenhauer
Others present: Finance Director Stevens, Public Works Director Beyer, Streets Operations Manager Winkleman, Mason Becker, Lisa Schwartz, Police Chief Brower (video)

1. Call to order. Mayor McFarland called the meeting to order at 5:30 p.m.
2. A motion was made by Ald. Bartz, seconded by Ald. Davis, to **approve the minutes from March 10**. Approved.
3. A recent promotion in the **Street Division** is prompting a need to **increase the pay rates of incumbents**. Street Operations Manager Winkleman is recommending increases effective 3/19/25 for John Butschke (H6 to H7), Keith Rein (H6 to H7), Lukas Saeger (H5 to H7), and Adam Quest (H5 to H7). A motion was made by Ald. Moldenhauer, seconded by Ald. Bartz, to approve request. All approved.
4. Police Chief Brower summarized recent **promotional pricing for both mobile (vehicle) and portable (carried by officers) radios** that will allow both types to be purchased within the 2025 borrowing allocation and General Fund wage savings. This is a tremendous savings and affords the purchase of the mobile radios that were scheduled to be purchased in a later year. Ald. Davis moved, supported by Ald. Bartz, to approve the purchase of 43 Kenwood Viking portable radios and 16 Kenwood Viking mobile radios, along with installation and 5-year warranty, for \$230,341.72 with approved budget of \$223,470 and salary savings of \$6,872. Approved by all.
5. A memo of recommended health benefit updates to the employee handbook was presented but cited as incomplete with a couple of changes. Ald. Davis moved to postpone any action, seconded by Ald. Moldenhauer, and approved unanimously.
6. Mayor McFarland suggested a change to the handbook regarding **travel outside of Wisconsin**. A request for job-related travel currently requires approval of both department head and mayor. It is recommended that this can be handled as an advance approval by just the department head. This had been approved by the Finance Committee at its June 16, 2022, meeting, but was not presented to Common Council for its adoption. Motion by Ald. Davis, seconded by Ald. Bartz, to recommend to Council and approved by all.
7. An agreement was presented to approve **UPS access to a graveled area of 925 S Twelfth St** (airport area) as a parking lot for \$500 per month effective January 1, 2025. A motion was made by Ald. Bartz, supported by Ald. Moldenhauer, and unanimously approved.
8. Jefferson County requested that we sign a **confidentiality agreement** which outlines the responsibilities of both parties in handling, storing, and using protected information of judicial officials or their families. Ald. Davis moved, seconded by Ald. Moldenhauer, to approve entering into this agreement. Approved by all.
9. As discussed in prior meetings, it is appropriate timing for the **termination of Tax Incremental District (TID) #4**. The City must approve and notify the WI Department of Revenue no later than April 15. A motion was made by Ald. Bartz, seconded by Ald. Davis, to recommend closure to Common Council. Approved by all.

10. The city portion of the **TID #4 increment value** is approximately \$1.7 million. An amount of \$840,000 has been committed to the Rock River Ridge infrastructure, leaving a remainder of approximately \$891,500. Discussion ensued to talk through the possible uses that all tie into needs cited in the 2019 Comprehensive Plan recommendations. Mr. Stevens will craft a request for budget modifications to allow for the following:

- | | |
|--|-----------|
| a. Mary/Clark St utilities extensions (two) | \$393,000 |
| b. Portable traffic barriers (and trailer) | \$125,000 |
| c. City-wide sign grant program | \$ 25,000 |
| • 50% up to \$1,000 | |
| d. Wilbur St expansion to N Votek Dr | \$100,000 |
| • Grant request underway for additional \$100K or remainder from annual streets infrastructure | |

The Parks Director will be asked to update what would be needed for Washington Park diamond renovations. Funding seawall additions was also considered a priority. Future assignments of remaining funds could take place in the upcoming budget creation season. Ald. Davis made a motion to approve the four requests above, seconded by Ald. Bartz, and approved by all.

11. Mr. Stevens presented a summary **compilation of the facilities use study completed last fall with financing models** of a few approaches. This included a renovation of City Hall to make use of the upcoming vacancy, improve efficiency of the facilities, create a safe working environment for City employees, and allow for a centralized location for customer interactions. As well, additions to the Public Works and Health Department facilities and the construction of a new Park/Rec/Forestry office have been mapped out as a possible plan over five years.
12. An offer received by the City to purchase city-owned parcels was not presented. No action was warranted by the Finance Committee; the offer was denied by the Plan Commission.
13. Finance Committee adjournment. Ald. Bartz moved, seconded by Ald. Moldenhauer, to adjourn the Finance Committee at 6:50 p.m., and was carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.

MEMO

(Administration)

To: Finance Committee
From: Steph Mazzoni
Date: April 7, 2025
Subject: City Hall Vending Machine

Background

BMC Associates, the Vendor for the vending machine on the second floor of City Hall, has notified the City that it will be removing the vending machine in the near future. Due to the potential removal of the vending machine an alternative vending machine is needed that houses drinks and snacks and offers convenience in purchasing options such as credit cards or cash.

Research was done online to find a vendor closer to the area in order to eliminate some of the current vendor problems that had been experienced. Most of them exist in Milwaukee or Madison. Lake Country is the closest, only being 20 minutes away. They were willing to come in and meet and check out the space and talk over any agreements.

Budget Goal

Invests in the strategic planning and maintenance of our city buildings

Financial Impact

There is no financial impact. This costs nothing but benefit the staff and visiting public by offering drinks and snacks.

Recommendation

The installation of a vending machine on the second floor of City Hall will provide added convenience, accessibility, and improve overall service to the public and employees. It is recommended to utilize WTCH Lake Country Vending to provide and install an new vending machine at no cost to the City.

Convenience for the Public – A vending machine provides easy access to snacks and beverages, especially in high-traffic areas where people may not have time to visit a store or restaurant.

MEMO

Support for Employees and Visitors – Providing a vending option ensures that staff, emergency personnel, and visitors have quick access to refreshments, improving morale and productivity.

No Maintenance – Modern vending machines require little maintenance, and the vendor will ensure regular restocking and service without added responsibilities.

Healthier Choices Available – A vending machine can be stocked with a variety of healthy snacks and drinks, promoting wellness for those who use the facility.

This sets forth the agreement (the “**Agreement**”) between Lake Country Vending Solutions LLC dba Lake Country Vending (“**Vendor**”) and City of Watertown (“**Customer**”) located at Watertown City Hall, 106 Jones Street, Watertown WI 53094 (the “**Location**”) for Vendor to install an automated snack and beverage vending machine (“**Vending Machine**”) at the Location .

1. Term and Termination

The term of this Agreement will be for a period of one (1) year, commencing on _____ (the “**Term**”). This Agreement shall automatically renew for additional periods of one (1) year each unless contrary written notice is given by either party at least thirty (30) days prior to expiration of the initial Term or any renewal thereof. Vendor shall remove the Vending Machine(s) from the Location within fourteen (14) days of the termination of this Agreement.

2. Grant to Vendor

Subject to all the terms and conditions of this Agreement and the limitations set forth below, the Customer hereby grants permission to Vendor to install the Vending Machine(s) for the purpose of vending snacks, candies, and beverages at the Location. Customer will provide a suitable space with electrical outlets for the Vending Machine(s) at no charge to the Vendor.

3. Ownership

Customer hereby acknowledges that all right, title and interest in the Vending Machine(s) shall at all times remain that of the Vendor, including all monetary profits with respect to the Vending Machine(s). Customer shall have no right, title, or interest therein, and Customer is not authorized to grant any right or license with respect thereto except as expressly set forth in and permitted under this Agreement.

4. Maintenance and Repair

Vendor shall be responsible for stocking, servicing, and maintaining the Vending Machine(s) in good working order. Customer shall not itself, and shall not permit any other party to, repair, service, maintain, replace, relocate, move, remove, stock or access any Vending Machine(s), unless Customer has provided notice to Vendor at least 15 days prior to requesting Vendor complete such action. Customer agrees to promptly notify the Vendor of any need for repair or service, or of any consumer complaints respecting the Vending Machine(s).

5. Liability

Vendor shall maintain general liability insurance for the Vending Machine(s). Customer shall not be liable for damage to the Vending Machine(s) except in cases of willful misconduct. Customer shall promptly report any vandalism or theft to the Vendor and to the appropriate authorities. In the event of repeated or significant theft, vandalism, destruction or loss, without limitation, Vendor shall specifically have the right to remove or move any Vending Machine(s).

6. Representations and Warranties

Each of the parties to this Agreement represent and warrant that it has the full right, power and authority to enter into, and perform its obligations under, this Agreement and that the terms and conditions of this Agreement shall not violate, interfere with or infringe upon the rights of any third parties pursuant to written agreement or otherwise. Each party further represents that it has obtained all of the necessary approvals and has complied with all laws, ordinances, codes, rules and regulations relating to its entering into this Agreement and its performance hereunder. Any amendments to this Agreement must be in writing and signed by both parties.

7. Indemnification

Vendor agrees to indemnify, defend, and hold harmless Customer, its employees, agents, and affiliates from and against any and all claims, liabilities, damages, losses, and expenses (including reasonable attorney’s fees) arising out of or related to any injury or damage caused by the vending machine or any products sold within the machine, except to the extent such injury or damage results from Customer’s willful misconduct.

8. Compliance with Laws

Vendor agrees to comply with all applicable federal, state, and local laws, regulations, and ordinances in the performance of this Agreement, including but not limited to those governing product safety, health, and consumer protection. Vendor shall obtain and maintain all necessary permits, licenses, and approvals required to operate the

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date shown above.	
Name: Doug Watson	Name:
Title: Owner, Lake Country Vending Solutions LLC	Title:
Signature:	Signature:
Date:	Date:

MEMO

Administration Department

To: Finance Committee

From: Mayor McFarland

Date: April 7, 2025

Subject: Health Benefit Update

Background

The City of Watertown has contracted with a new health care provider beginning January 1, 2025. As a result, several sections relating to the health plan that referred to the previous provider of Employee Trust Funds (ETF) are addressed below to be updated. ETF will continue to provide pension, life insurance, and income continuation benefits. With the change of health care providers, COBRA administration will be completed by Employee Benefits Corporation (EBC) for Health, Dental, Vision, and Flex Spending programs. Retirement sections will also be affected as they relate to sick leave conversion and retirees that continue coverage through COBRA.

Current policy can be located at:

<https://cms4files.revize.com/watertownwi/Handbook%20August%202024.pdf>

Proposed Policy Changes:

Section V. Benefits

F. HEALTH INSURANCE

Wisconsin Retirement System eligible part-time employees may apply for health insurance coverage. City contributions will be prorated and will apply based on the part-time tiers that reflect the number of scheduled hours expected for the position. Find more information at www.deancare.com

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to receive health insurance benefits at the expense of the City, subject to the required employee premium contribution amount, ~~applied to the least expensive plan available,~~ as established in the annual payroll resolution and applicable collective bargaining agreements.

New employees shall be eligible for health insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, health insurance benefits will begin on the same day. Health insurance

MEMO

coverage terminates at the end of the month in which the employee terminates employment. Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by Employee Benefits Corporation(EBC).

Dependent Coverage Eligibility:

Employees that choose family plans must be enrolled in the plan in order to enroll additional dependents. Eligible dependents for family coverage include:

(1) Spouse (must be legally recognized in the State of Wisconsin).

(2) Children who include:

(a) Natural children.

(b) Stepchildren.

(c) Adopted children and pre-adoption placements. Coverage will be effective on the date that a court makes a final order granting adoption by the subscriber) or on the date the child is placed in the custody of the subscriber, whichever occurs first. These dates are defined by Wis. Stat. § 632.896. If the adoption of a child is not finalized, the insurer may terminate coverage of the child when the adoptive placement ends.

(d) Legal wards that become the subscriber's permanent ward before age 19. Coverage will be effective on the date that a court awards permanent guardianship to either the subscriber/employee or spouse.

(e) Grandchild if the parent is a dependent child and under the age of 18. The grandchild ceases to be a dependent at the end of the month in which the dependent child (parent) turns 18.

Note: (i) Children, stepchildren, and legal wards may be covered until the end of the month in which they attain age 26 except for grandchildren. Their spouse and/or dependents are not eligible. Upon the child's loss of eligibility, the child may be eligible for COBRA Continuation.

(f) Pertaining to divorce - if a court orders the subscriber/employee to insure an ex-spouse, the order does not create eligibility for the ex-spouse to remain insured under the subscriber/employee. Ex-spouse eligibility is under COBRA Continuation for 18 months after the last day of coverage

Plan Changes:

Employees wishing to make changes to enrolled health plan coverage must provide official documentation within 30 days of the event noting the effective date that coverage change takes effect as it pertains to life changing events. All other changes will be made as part of the open enrollment period.

MEMO

~~Part-time employees determined to be eligible under the rules of the Department of Employee Trust Funds, may apply for health insurance coverage. City contribution will be the minimum as determined by the Department of Employee Trust Funds based on the number of scheduled work hours.~~

Married employees who both work for the City shall be eligible for coverage under said policy in the manner least expensive to the City and shall be exempt from the required employee premium contribution up to an amount equal to the least expensive plan available in any given year as long as this does not conflict with the maximum allowable City contribution as defined by the health insurance program.

Coverage for Retired Employees

For any employee who elects to retire consistent with the terms of the Department of Employee Trust Funds, and **participate in COBRA health care continuation for 18 months after the last date of coverage, may have the opportunity to convert their unused sick leave into a Sick Leave Conversion Account (SLCA). Such account shall only be used for the purpose of making future payments towards COBRA premiums on behalf of the retired employee. The City will establish the SLCA and calculate a beginning balance as of his/her retirement date. Payments will be administered by EBC.**

Funding:

- **Sixty dollars (\$60) per day of unused sick leave**
- **Sixty dollars (\$60) for every twelve hours of sick leave for employees working 24-hr shifts**
- **Maximum balance: \$7,200**

Deductions from a SLCA will be equal to one-half (50%) of the monthly health plan premium. The City will inform EBC, the COBRA plan administrator, of this amount. The deductions will continue to apply to health plan premium payments until the SLCA balance is \$0 or the retired employee is no longer a COBRA participant, whichever occurs first.

G. DENTAL INSURANCE

Find more information at <https://www.deltadentalwi.com/>

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to receive dental insurance benefits at the expense of the City, subject to the required employee premium contribution amount, applied to the least expensive plan available, as established in the annual payroll resolution and applicable collective bargaining agreements.

New employees shall be eligible for dental insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of

MEMO

employment, dental insurance benefits will begin on the same day. Dental insurance coverage terminates at the end of the month in which the employee terminates employment. **Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by EBC.**

Married employees who both work for the City shall be eligible for coverage under said policy in the manner least expensive to the City and shall be exempt from the required employee premium contribution up to an amount equal to the least expensive plan available in any given year.

H. VISION INSURANCE

Find more information at <https://www.deltadentalwi.com/>

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to participate voluntarily in the vision insurance benefits at the employee's expense offered by Delta Vision (a division of Delta Dental of WI). New employees shall be eligible for vision insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, vision insurance benefits will begin on the same day. Vision insurance coverage terminates at the end of the month in which the employee terminates employment. **Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by EBC.**

H. LIFE INSURANCE

Find more information at <http://etf.wi.gov/>

The City shall provide all full-time and eligible part-time employees a term life insurance policy equal to his/her Wisconsin Retirement System earnings paid during the previous calendar year rounded to the next higher one thousand dollars (\$1,000.00). The City shall also make available to the employee the option of additional term life insurance coverage to be purchased by the employee at his or her expense if such coverage is available. Life insurance policies shall be underwritten through a carrier of the City's choice.

I. PENSION

Find more information at <http://etf.wi.gov/>

Both full-time and regular part-time employees shall be covered under the Wisconsin Retirement System in accordance with Chapter 40, Wis. Stats. The City's contributions to the retirement system shall be determined as per the adoption of the annual payroll resolution and in accordance with applicable state statutes.



MEMO

J. WISCONSIN DEFERRED COMPENSATION

Find more information at <https://wisconsin.gwrs.com/>

The City participates in the Wisconsin Deferred Compensation program provided by the State of Wisconsin. Employees may elect to participate by making pre-tax or post-tax contributions towards retirement investment options of their choice.

K. SECTION 125 PLAN

Find more information at <https://www.ebcflex.com/>

The City has established a Section 125 plan which provides for reimbursement for dependent care and health care expenses as permitted by the Internal Revenue Code. Employees may elect to reduce their wages by making contributions to the Section 125 plan to the extent permitted by law. At the end of the plan year, any unused funds are forfeited by the employee and become property of the employer. **Employees will be eligible to participate in COBRA benefits with payments that will be administered by EBC.**

Budget Goal

Supports employee retention and growth, while also evaluating operations and the associated staffing

Financial Impact

Health Insurance impacts all departments of the city that have benefit eligible employees and future recruitment efforts.

Recommendation

Approve the updated handbook changes.

2025 Operational Goals

Present a budget that (Department select the relevant goals, and delete those not relevant):

1. Invests in the strategic planning and maintenance of our city buildings
2. Proactively maintains and improves our parks and infrastructure to ensure safety, quality, and equity
3. Supports employee retention and growth, while also evaluating operations and the associated staffing
4. Fosters community growth by assessing opportunities, stakeholder input, environmental needs, and modern code and policy priorities
5. Maintains a safe and healthy community, with an eye toward future needs and trends

MEMO

**RESOLUTION TO
AMEND THE EMPLOYEE HANDBOOK OF POLICIES AND PROCEDURES
FOR EMPLOYEE INSURANCE CHANGES**

**SPONSOR: MAYOR EMILY MCFARLAND
FROM: FINANCE COMMITTEE**

WHEREAS, the City adopted the current City of Watertown Employee Handbook of Policies and Procedures on July 6, 2012 with the most recent amendment occurring on February 17, 2024; and,

WHEREAS, the City of Watertown has contracted with a new benefit provider beginning January 1, 2025 resulting in sections relating to the employee benefit plans to be updated.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN:

That Article V. Benefits shall be repealed and restated to read as follows:

F. HEALTH INSURANCE

Wisconsin Retirement System eligible part-time employees may apply for health insurance coverage. City contributions will be prorated and will apply based on the part-time tiers that reflect the number of scheduled hours expected for the position. Find more information at www.deancare.com

All full-time employees and those part-time employees as designated in the annual payroll resolution shall be eligible to receive health insurance benefits at the expense of the City, subject to the required employee premium contribution amount, established in the annual payroll resolution and applicable collective bargaining agreements.

New employees shall be eligible for health insurance benefits on the first day of the month following the first day of employment. Where the first day of the month is the first day of employment, health insurance benefits will begin on the same day. Health insurance coverage terminates at the end of the month in which the employee terminates employment. Employees will be eligible to participate in COBRA benefits for 18 months after the last date of coverage as an employee with payments that will be administered by Employee Benefits Corporation(EBC).

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- (1) Spouse (must be legally recognized in the State of Wisconsin).
- (2) Children who include:
 - (a) Natural children.
 - (b) Stepchildren.
 - (c) Adopted children and pre-adoption placements. Coverage will be effective on the date that a court makes a final order granting adoption by the subscriber) or on the date the child is placed in the custody of the subscriber, whichever occurs first. These dates are defined by Wis. Stat. §

(April 15, 2025) Exhibit XXX

632.896. If the adoption of a child is not finalized, the insurer may coverage of the child when the adoptive placement ends.

(d) Legal wards that become the subscriber's permanent ward before age 19. Coverage will be effective on the date that a court awards permanent guardianship to either the subscriber/employee or spouse.

(e) Grandchild if the parent is a dependent child and under the age of 18. The grandchild ceases to be a dependent at the end of the month in which the dependent child (parent) turns 18.

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Funding:

- Sixty dollars (\$60) per day of unused sick leave
- Sixty dollars (\$60) for every twelve hours of sick leave for employees working 24-hr shifts
- Maximum balance: \$7,200

Deductions from a SLCA will be equal to one-half (50%) of the monthly health plan premium. The City will inform EBC, the COBRA plan administrator, of this amount. The deductions will continue to apply to health plan premium payments until the SLCA balance is \$0 or the retired employee is no longer a COBRA participant, whichever occurs first.

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The City shall provide all full-time and eligible part-time employees a term life insurance policy equal to his/her Wisconsin Retirement System earnings paid during the previous calendar year rounded to the next higher one thousand dollars (\$1,000.00). The City shall also make available to the employee the option of additional term life insurance coverage to be purchased by the employee at his or her expense if such coverage is available. Life insurance policies shall be underwritten through a carrier of the City's choice.

I. PENSION

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Both full-time and regular part-time employees shall be covered under the Wisconsin Retirement System in accordance with Chapter 40, Wis. Stats. The City's contributions to

the retirement system shall be determined as per the adoption of the annual resolution and in accordance with applicable state statutes.

J. WISCONSIN DEFERRED COMPENSATION

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K. SECTION 125 PLAN

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The City has established a Section 125 plan which provides for reimbursement for dependent care and health care expenses as permitted by the Internal Revenue Code. Employees may elect to reduce their wages by making contributions to the Section 125 plan to the extent permitted by law. At the end of the plan year, any unused funds are forfeited by the employee and become property of the employer. Employees will be eligible to participate in COBRA benefits with payments that will be administered by EBC.

That this Resolution shall be in full force and effect upon its passage and adoption.

	YES	NO
DAVIS		
LAMPE		
BOARD		
BARTZ		
BLANKE		
SMITH		
SCHMID		
WETZEL		
MOLDENHAUER		
MAYOR MCFARLAND		
TOTAL		

ADOPTED April 15, 2025

CITY CLERK

APPROVED April 15, 2025

MAYOR

MEMO

Administration Department

To: Finance Committee

From: Mayor McFarland

Date: April 4, 2025

Subject: Pay Study

Background

The 2025 budget allocated funds to complete a pay study. The city contracted with McGrath Human Resources Group to complete that work. The last pay analysis for the City of Watertown was completed in 2021 and implemented in 2022.

Below is information regarding the process McGrath used. Far more detail is in the report.

1. RFP was sent out; RFP identified several vendors that met the needs outlined in the RFP.
2. McGrath was selected due to local experience, ability to meet the target date of the project completion and estimated project cost.
3. The contract called for:
 - a. Market update with recommendations to our current table structure and benefit study
 - b. Implementation options
4. A project team was created comprised of HR, Mayor, Attorney, two leadership members, and for the last phases of the project, the Finance Director.
5. City team members submitted job descriptions, position questionnaires, and related policies for review as they relate to benefits and compensation.
6. Leadership team members conducted department meetings with McGrath representatives to identify organizational staffing issues and to identify comparable entities.

MEMO

5. McGrath reviewed the information and met with the project team and leadership team to review recommendations.
6. McGrath provided a report containing options for implementation, ultimately identifying a new table system and benefits to consider.

The study results provide an opportunity to make a balanced impact on implementation and adjustments to the budget. It also reestablishes the city in conjunction with the market we pull from/lose people to. Further, it repositions city employees on the table where they have earning potential which is critical for retention. It also provides “space” between employees that have been in their current position for at least two years and new hires.

These recommendations do address topics like compression, certification pay, benefits, and recruitment and retention. It also identifies areas of consideration for staffing needs such as IT and HR. Lastly, one position was still being discussed for a potential adjustment to the placement at the time the report was issued. The Water/Wastewater Utilities Manager position was somewhat difficult to have multiple comparisons for. Andrew Beyer and McGrath both provided information. When the pay study is ultimately approved, this topic will need to be considered ahead of that approval.

Budget Goal

1. Supports employee retention and growth, while also evaluating operations and the associated staffing
2. Maintains a safe and healthy community, with an eye toward future needs and trends

Financial Impact

The implementation costs are listed in the packet.

Recommendation

I recommend that Finance Committee implement the pay study into the 2026 annual budget, and work to implement the additional in range adjustments.



Compensation Study Final Report

for

City of Watertown
Wisconsin



April 2025



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Project Summary

The intent of the Project Summary is to provide an overview of the most important issues and opportunities identified by the Consulting team during the Study. Recipients of this Report are highly encouraged to read the document in its entirety to gain an understanding of the recommendations presented within the Report. This introduction alone does not provide enough context or information upon which to base decisions or to evaluate the recommendations provided.

McGrath Human Resources Group, Inc., an organization that specializes in public sector consulting, was commissioned by the City of Watertown, WI, to conduct a comprehensive Classification and Compensation Study. The Consultants utilized the following steps to make these compensation recommendations:

- Discussions with the Compensation Project Team and Department Directors and Managers.
- Analysis of the current salary schedule, compression, and current compensation policies.
- External market data was solicited from 28 comparable public organizations, selected jointly between the Consulting team and the City.
- Position analysis based upon extensive information provided by incumbent employees describing job responsibilities, skills, and various competencies of the position in addition to a review of job descriptions.
- Internal position analysis based upon all information collected and analyzed and meetings with each Department Director.
- Feedback on recommendations by Department Directors and the Mayor.

The following recommendations have been developed as a result of the Study.

Compensation Recommendations

In order for the City to have a competitive edge with recruitment and retention in the current region, it is recommended the City establish its compensation philosophy to the average market. This compensation strategy may increase the supply of candidates, increase selection rates of qualified applicants, maintain productivity, and decrease unwanted employee turnover, yet the City will not be the highest paid. This type of strategy is appropriate for an organization like Watertown, which is located very close to a highly populated and highly competitive labor market and the City also has other opportunities such as offering a quality benefits program. Competitive market wages with its benefits package should support the City's desire for retention and the attraction of a highly qualified workforce.

The City is recommended to adopt a Step Model Compensation System for consistent administration throughout the organization and serve as a foundation of pay equity to its employees. The structure incorporates regular intervals of step movement to allow progression through the ranges within a reasonable period. In addition, the City is recommended to stop certification pay in the form of step increases.

Classification Recommendations

A job classification is a system for objectively and accurately defining and evaluating the duties, responsibilities, tasks, and authority level of a position, among other characteristics. It is developed from a job analysis process without regard to the knowledge, skills, experience, and education of the individuals currently performing the job, and can also identify hierarchy and career progression opportunities.

Job classifications help determine the specifications and standards needed for each position. Since it is a systematic process of evaluating the scope and intricacies of a position, there are typically clear categories.

Because all classifications have been analyzed under the same methodology, there was an opportunity to better align job titles with responsibilities. This is not intended to change position responsibilities. Some of the City's job titles were revised to either have consistency throughout the organization, or to become more current with the external market. They are reflected in the recommended Salary Schedule. Levels were created within some classifications when it was proper to do so, based on differing job functions, and education, experience, and certification/licensing differences.

The City is recommended to rely on a position analysis process (point factoring) to evaluate the internal equity of positions within the City in the future along with market indicators.

System Maintenance Recommendations

The City should ensure that the Salary Structure is adjusted annually to maintain its position in the market. In addition, the City needs to ensure that employee progression through the salary ranges will cover both cost-of-living economic adjustment with adequate performance, so its workforce does not fall behind in their respective ranges.

- It is recommended the Salary Schedule be adjusted by a local indicator calculation each year. Since budgeting is done at approximately the same time each year, the City should continue to establish a specific month in which to capture the average of the previous twelve (12) months of the comparable organizations' economic change for a recommended adjustment.

- The City is recommended to conduct a market update in three (3) years. Analysis of turnover and other human resource-type metrics should help indicate if an external market update is required sooner or can be pushed back a year.
- The City is recommended to maintain human resource-type metrics to monitor recruitment, retention, and turnover trends.

Compensation Policy Recommendations

With the implementation of the updated compensation system, one that is tied to the external market and aligns positions internally, comes a strategic opportunity for the City to align its compensation policies with best practices. This is an opportunity for the City to update its policies on the use of the compensation system for salary administration for new hires, promotions, demotions etc., in addition to position control actions that include placement of new positions or pay grade changes due to position changes. These policy recommendations have been detailed within the report.

Benefits and Other Opportunities

These sections of the Report allow the City to understand their benefits among the comparable market and are independent of compensation recommendations. The feasibility of feedback and options offered must be analyzed by the City further, so they are not immediate recommendations. Other future opportunities are also presented for the City to explore further.

Methodology

Data Collection

The project involved several steps: collection of data, interviews, and data analysis. The first step of this Study involved gathering data that pertains to current compensation practices within the City. The Consultants received information relating to current salaries, specific policies, collected market data, and current job descriptions.

Interviews were conducted with the Compensation Study Team (comprised of the Mayor, Human Resources Coordinator, City Attorney, Public Health Officer, and Water/Wastewater Utilities Supervisor) and separately with Department Directors and other management personnel within each Department. The purpose of these meetings was to first, gain an understanding of the City's current compensation practices and philosophy; second, to solicit ideas and input from these stakeholders for future compensation methodologies and practices; and finally, to determine if there were any positions within the City that were difficult to recruit, retain, or were otherwise unique in the position's responsibilities.

Employees from each Job Classification were then asked to complete a Position Questionnaire (PQ), which provided extensive information about the positions. The Consultants utilized over 100 Position Questionnaires completed by the employees, which had been reviewed by supervisory employees, to gain a better understanding of the job responsibilities, skills, and various competencies of the position.

During the second virtual visit, the Consultants met with the Compensation Study Team to provide a summary of the City against the comparable market and ask questions in reference to the Consultants' recommended compensation model that would be most successful for the City, in addition to the expected placement within the comparable market. At that time, the draft compensation schedule was introduced.

The Consultants met with individual Department Directors separately to review the recommended Salary Schedule and gain their perspective on items that pertain to their department. Any recommendations and feedback provided were reviewed by the Consultants and taken into consideration in both its relation to the position analysis, the external market data, as well as the impact on internal equity within the entire Compensation System before finalization.

Labor Market

In order to gain information from the external market, through interviews with the Department Directors, a list of comparable organizations was established and approved by the City. Each of the comparable organizations were contacted requesting current salary schedules and incumbent data. The following comparable organizations were used:

Table 1: Comparable Organizations

COMPARABLE ORGANIZATIONS	AREA OF FOCUS
City of Hartford	
City of Appleton	Health only
City of Beaver Dam	
City of Brookfield	
City of Fort Atkinson	
City of Germantown	
City of Jefferson	
City of Lake Mills	
City of Menasha	Health only
City of Muskego	Library only
City of Oconomowoc	
City of Pewaukee	
City of Stoughton*	
City of Sun Prairie	
City of Waukesha	

COMPARABLE ORGANIZATIONS	AREA OF FOCUS
City of Waupun*	Utilities only
City of West Allis	Health only
City of West Bend	
City of Whitewater	
Dodge County	
Jefferson County	
Sauk County	Health only
Village of Cambridge*	Library only
Village of Hartland	
Village of McFarland	
Village of Menomonee Falls	
Waukesha County	
Western Lakes Fire District, WI	Fire only

*Did not Provide data

The collection of this compensation data was utilized to analyze the average Market Minimum, Midpoint, and Maximum Rates per defined benchmark positions. A comparison of the average salary of the positions to the salary of incumbents within the City was also performed. When necessary, evaluation of the comparable organization's job description, when available online, was utilized to resolve conflicts.

In addition to current positions within the City, the Consultants sought comparable data on future positions/career ladders, and positions with job responsibilities that are combined in the City but might be separate in other organizations. In some cases, titles were altered to better align with the industry. Not all positions are reflected in the following data analysis. In some situations, data was not available in the external market, data was insufficient, or there were no internal matches at the time of the Study.

Market Data Solicited

To ascertain if the City's Salary Schedule has remained within market parameters, several analyses were performed including a review of the Salary Schedule Minimum, Midpoint, and Maximum to the average Minimum, Midpoint, and Maximum of the external market.

The market survey gathered the following 2025 information: Minimum, Midpoint, and Maximum salary for the positions as well as the average salary of the incumbents.

Market Analysis

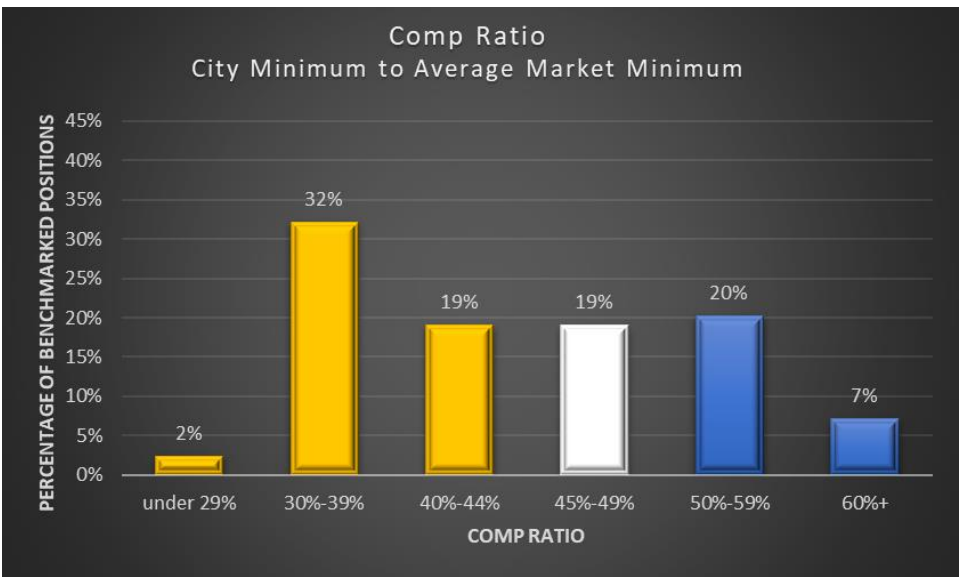
In order to analyze the ranges, a Comp Ratio calculation is used. This is a calculation to compare the City’s salary in relation to the external market data. A 50% Comp Ratio would mean that the salary is in line with the external Market while utilizing +/-5% range around each data point. Thus, if a position has a Comp Ratio of 45% or greater, the position is considered aligned to the current market. However, positions with Comp Ratios under 50% may still be facing challenges with recruitment or retention due to the current labor market and have been identified separately. The Consultants analyzed the dataset at the 50th Percentile. The 50th Percentile is equal to 100% of the average market

Minimum Salary Analysis

The analysis of the Minimum Salary Range gives the initial indication if starting salaries are within an acceptable Market Range. When building a salary schedule, consideration of this information will ensure the City’s Minimums are within an acceptable range to the average Market Minimum; however, this analysis is only the beginning in the development of a Compensation Schedule.

Approximately 53% of the benchmarked job titles are below the average market for minimums, and another 19% are in a lower comp ratio that may be falling short of competitiveness. Overall, 27% of the positions are within the acceptable average market minimum. It would appear the City’s minimum hiring salaries are insufficient against the market at the 50th percentile. Figure 1 below provides a summary of findings.

Figure 1: Minimum Analysis Summary

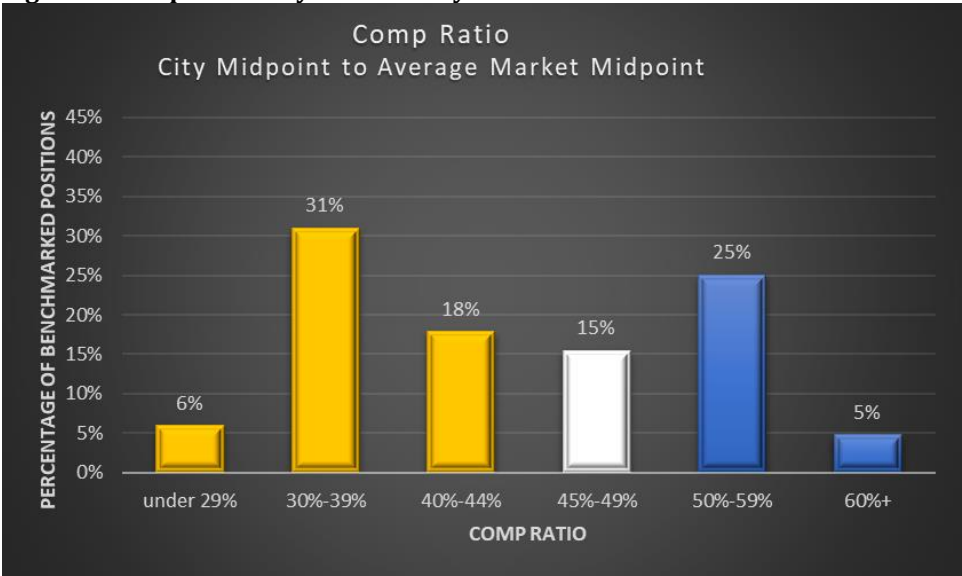


*May not result in 100% due to rounding

Midpoint Salary Analysis

The Consultants wanted to know if the City’s Midpoint was aligned with the average Market. Therefore, analysis between that benchmark and the market midpoint was conducted. Again, a Comp Ratio less than 45% would indicate the Salary Ranges may not be aligned to the market. Approximately 55% of the midpoint of benchmarked positions are lower than the average market, another 15% are in a lower comp ratio that may be falling short of competitiveness, and 30% of the positions are within the acceptable average market at the midpoint, meaning the market for each position has shifted. The following is a summary of findings.

Figure 2: Midpoint Analysis Summary

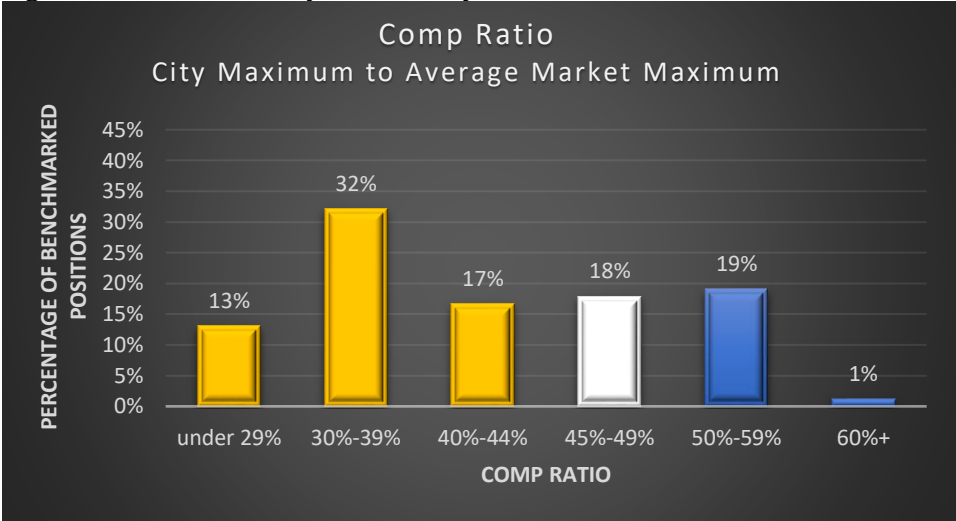


Maximum Salary Analysis

The Consultants compared the Salary Range Maximum to the average Market Maximum. However, due to various types of salary range construction, one must always consider this may not be an exact comparison.

With that said, the City’s salary range is at or above the average Market Maximum for 20% of positions. The City may be challenged with the retention of current staff in some positions, which can lead to those staff leaving to work in other organizations in the area for the opportunity for more pay.

Figure 3: Maximum Analysis Summary

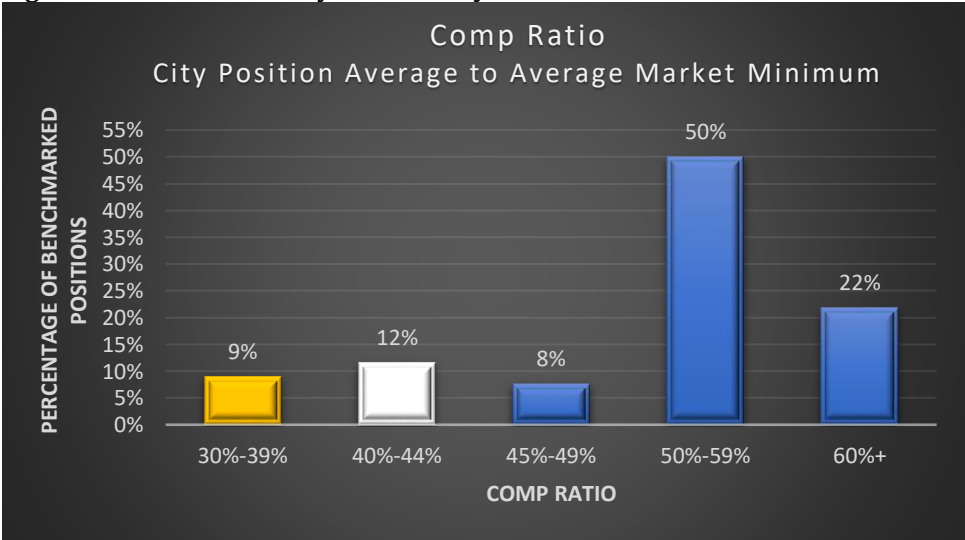


Incumbent Salary Analysis

The next step is to compare the City’s current incumbent salaries to the average Market Rate to assess how competitive incumbent wages are within the market. For this purpose, positions where there are more than one (1) incumbent, an *average* of the current employees is utilized. The Consultants compared the City’s incumbent salaries to the average Market Minimum. This provides a comparison of current salaries to the starting salaries in the market and will assist in the development of the project budget.

This figure indicates that although the City’s ranges need adjustment to be re-aligned with the market, 85% of the positions’ average wages are compensated at a market rate, meaning employees would be expected to be within the new salary ranges. This may result in in-range compression that may need to be resolved during the implementation of the new recommendations.

Figure 4: Incumbent Analysis Summary to Market Minimum



Current Compensation Structure

The current General Salary Schedule is a Step System. The System is made up of 27 unique Salary Ranges. There is 4.3%-10% between each Pay Grade. Each Pay Grade has 11 steps. The percentage between step descends in value as you progress through the range at 2.9%-2.3%, causing inconsistency in wage adjustments. The range spreads are 29% from Minimum to Maximum, which is within what is typically found in a step model.

Employees typically step annually. The City's compensation policy requires adequate performance be a requirement for a step.

Water/Wastewater Certification Pay

The City utilizes step advancements for attainment of certifications for much of the workforce in the Water/Wastewater Division. Utilizing the steps for certifications simply results in employees attaining maximum wages faster. Other employees who do not attain the same certification will reach the same wage over time, so it isn't a true incentive. In addition, this opportunity is not available for other employees, which creates feelings (real or perceived) of inequity among employees, especially since certifications are required in many other City positions.

Current Classification System

A job classification is a system for objectively and accurately defining and evaluating the duties, responsibilities, tasks, and authority level of a position, among other characteristics. It is developed from a job analysis process without regard to the knowledge, skills, experience, and education of the *individuals* currently performing the job; and can also identify hierarchy and career progression opportunities.

Job classifications help determine the specifications and standards needed for each position. The systematic process of evaluating the scope and intricacies of a position is called position analysis.

The City's classification system would benefit from classification re-alignment to better follow the hierarchy within the organization and to align titles to better recognize the importance of duties and responsibilities for each position and value each position brings to the organization. The City is challenged in that the current classification structure does not necessarily align with other public entities, and that can also create recruitment challenges when the City may be recruiting for a specific position, but by nature of the title, it is passed

over by candidates due this misalignment. Although the City appears to be managing classifications because it has been this way for a number of years, and employees may have opinions on this, the classification changes are not intended to cause any perceived demotion. The recommendations in the report are to better align the City with industry norms and internally.

Job Levels

Levels are categorized by the type and complexity of responsibilities of the position, including the amount of accountability, judgment, discretion and expertise needed to perform the duties of the position. As the complexity of the position increases, so does the pay grade, and there is typically educational, experience, or additional certifications that comes with the leveling. A review of job descriptions and Position Questionnaires identified opportunities for the City to consider which would allow the organization to develop entry level classifications in which required certifications and additional/differing corresponding duties could be incorporated to develop a progression opportunities through structured levels.

Compensation Philosophy

A compensation philosophy is an organization's financial commitment to how it values its employees. The goal of this philosophy is to attract, retain, and motivate qualified people. A consistent philosophy provides a strong foundation in determining the type of total compensation package to offer employees.

There are foundational aspects of compensation to assist with the development of a compensation philosophy to ensure the goals of compensation align with the goals of the organization. First, there are basic questions to consider:

1. What is considered a fair wage?
2. Are wages too high for the financial health of the organization?
3. Does the compensation system reflect the value of positions within the organization?
4. Is your compensation strong enough to retain employees?
5. Do you currently have a defined compensation philosophy?
6. If so, is your compensation philosophy keeping in line with labor market change, industry change, and organizational change?

The City is in business to provide services to the citizens, businesses, and visitors of the community. It does that through hiring qualified employees who lend their skills and talents to various positions within the organization. Without those individuals, the City would cease to provide infrastructure, safety, and other essential services and process the necessary

functions to keep those systems in place. Employees expect a compensation system that pays a competitive wage for the skills, education, and responsibilities of the position, and the City is in close proximity to communities and organizations that lead the market’s wages.

In order to be competitive for the retention of existing personnel and have successful recruitment efforts to replace future turnover, the City needs to establish a position within the market. It is recommended the City set a compensation philosophy aligning to the average market at this time. The City can then assess if an average compensation philosophy is working successfully following implementation. If the City continues to experience recruitment challenges, a more competitive placement (such as the 55th-60th percentile, may be needed).

The following sections support that recommendation.

Employee Demographics

In reviewing the City’s employee demographics for positions covered in the Study, the tenure of the organization ranges from new hire – 37 years. The overall tenure average of the employees is 9.5 years. The national average in the public sector is currently 6.4 years (*Local Government-Bureau of Labor Statistics, September 2024*), showing the City is above average in overall tenure, which is positive. In order to have a full picture of the City, one needs to explore these demographics further. These findings are in the following Figures.

Figure 5: Employee Demographics by Age

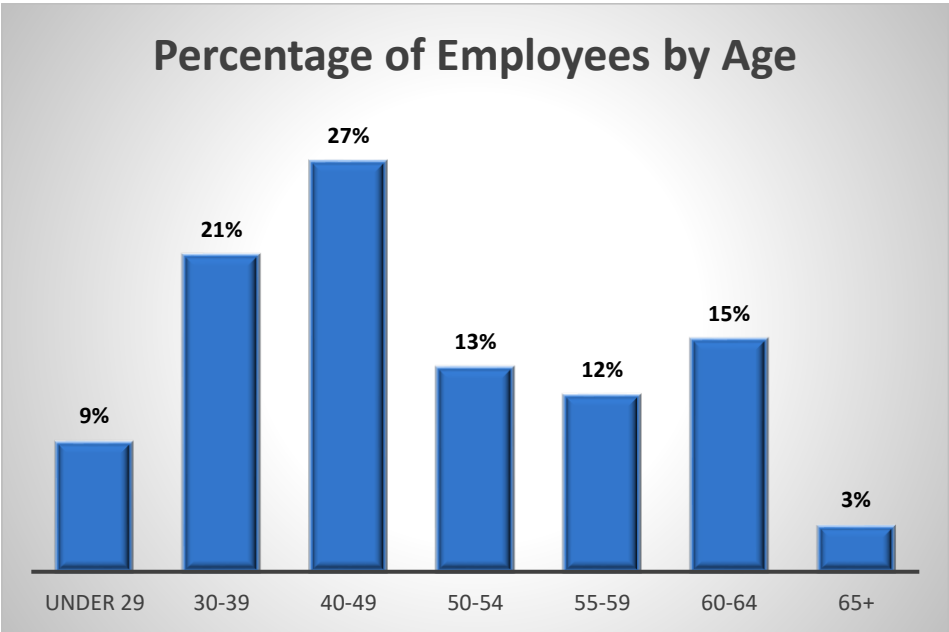
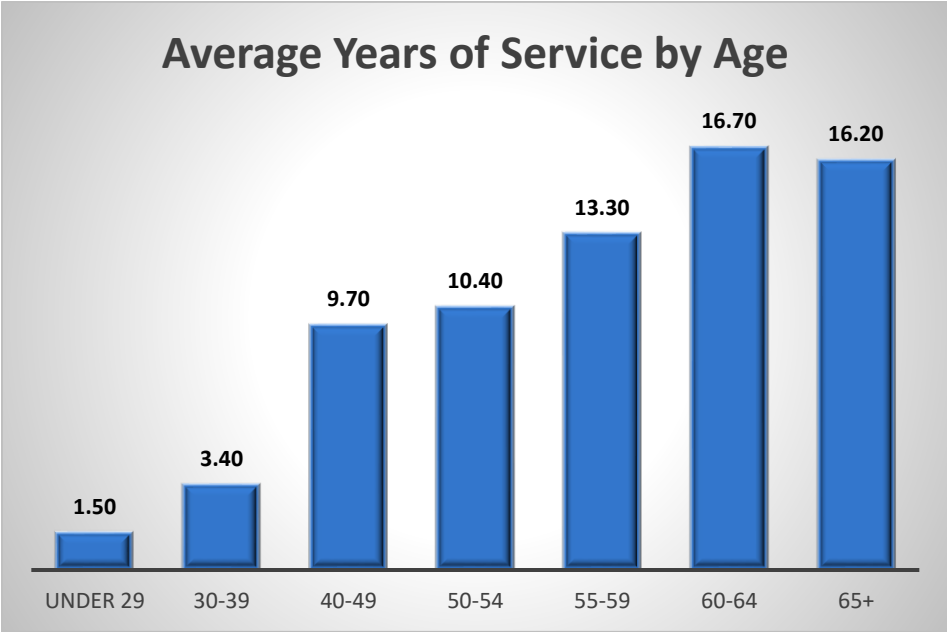


Figure 6: Employee Demographics by Service



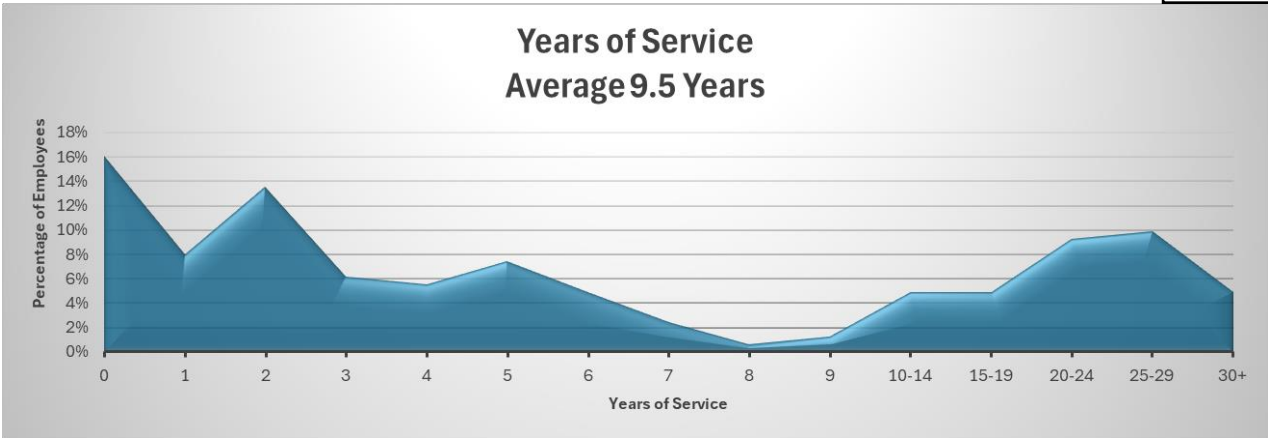
The above Figures show those in age groups 55 and over have the longest tenure and represent approximately 30% of all employees. This is the group of personnel that will be considering retirement over the next decade. The City should expect ongoing steady turnover simply due to retirements over the next decade and beyond. When these employees leave the City, the average tenure of the organization could decrease. A turnover ‘spike’ may be an indication of a decline in job satisfaction, or a wage/benefit issue, so this data should be monitored at least annually.

Another significant finding is the City’s demographics illustrate that 30% of the workforce is under age 39, and this is likely the cross-section of employees who are seen as more mobile in today’s workforce, focus heavily on work/life balance, and consider non-compensatory benefits for the purposes of retention. This group also changes jobs quickly because it results in earning higher wages as opposed to remaining with one organization for a longer period of time, which is notable as average tenure in these age groups is 3.4 years or less. Experienced professionals within the age 40+ bands are also critical, as their level of experience and skill makes many of them uniquely qualified to have multiple job opportunities, so having a competitive wage and benefit package will facilitate retention.

Tenure

A deeper look at the 9.5 years of average tenure in the organization is visualized in the following Figure.

Figure 7: City Workforce by Years of Service

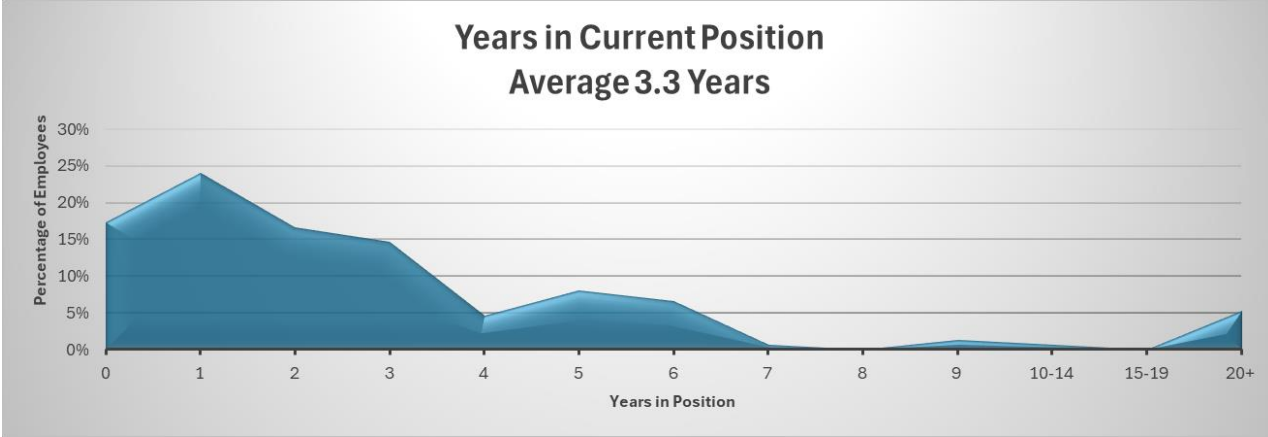


It was found that 57% of the City’s current workforce have been with the City for five (5) or less years. This would indicate high turnover rates likely exist, which can have a substantial financial and operational impact to the organization.

One final look at the tenure of staff based upon their *current position* shows just how new the current workforce is. There is a significant reason to retain personnel to help develop the City’s succession planning opportunities, but employees may not perceive the opportunities based on the current salary schedule. This means the organization may be looking to fill more positions externally, which could have unintended operational impacts.

Currently, 58% of the workforce has been in their positions for less than two (2) years, with 85% of the workforce in their positions for five years or less. Only 6% of the workforce has been in their existing positions for ten years or greater. These findings are represented in the figure below.

Figure 8: City Workforce by Years in Position



The City is recommended to monitor its demographics periodically to properly respond to shifts within the organization as needed. Although the Consultants acknowledge compensation is not the only reason for unwanted turnover, it is a consideration of the larger picture. In order to ensure competitive recruitment/retention, the City is recommended to follow the compensation philosophy of average market compensation to ensure the City can stay competitive to support retaining its qualified personnel as long as possible.

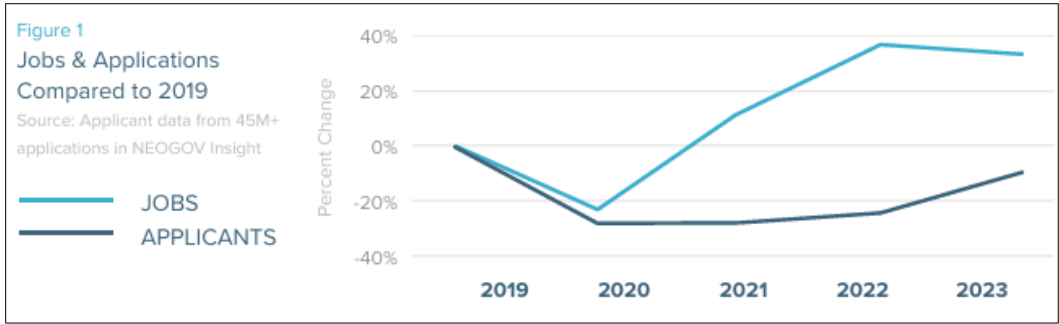
The Evolution of Recruitment and Retention with Compensation Since 2020

According to human resources professionals across the United States, it is progressively getting harder to hire qualified personnel. Looking at a tight labor market, recruitment and retention of qualified personnel with the necessary skills for public service has topped the list of workforce challenges for the last several years, and nearly all human resources professionals report moderate to significant increases in vacancies within their organizations.

Public Sector Turnover/Recruitment Challenges

The Public Sector is described as being caught in a cycle between turnover and burnout because employees work harder and longer to compensate for staff shortages. Over time they burn out and leave their organization often earlier than planned. HR tries to fill critical roles but there are not enough qualified applicants to compensate for the turnover rates. Public sector job openings have declined slightly in 2023, yet applications are still down by 9.5% since 2019, leaving governments to continue to have an employment gap.

Figure 9: Average Applicants per Government Jobs 2019-2023



(Source: The Fragile Future of Recruitment, Neogov, 2024).

This is not a new issue, but some employers do state it has become increasingly problematic for operations. Public employers have been experiencing ongoing challenges of this nature for almost a decade. Governments historically have had a compelling proposition to offer workers with secure lifetime employment and generous health benefits followed by a robust pension for retirement, which is no longer the case. Public employers are battling for their talent because:

- The “Silver Tsunami” identifies between 30%-40% of local government workers eligible to retire, and there is a workforce gap.
- Long-term employment has less appeal for the younger workforce.
- There is a real or perceived decline in public support for government workers.
- Public employers do not feel they can compete with salaries and benefits as benefits erode and the private sector is more competitive.
- There is a growing skills gap. Many government jobs now require specialized education or training. Fewer positions are ‘learn on the job.’
- Public employers are not able to offer the same level of flexible work arrangements to all employees.
- Limitations in technologies prevent efficiency and automation.
- There are limited financial resources
- Not all work cultures are satisfying and supportive.
- Public Sector does not usually market themselves as a career industry so applicants do not consider employment.
- Career development skills are not funded for existing employees.

Private Sector Influence

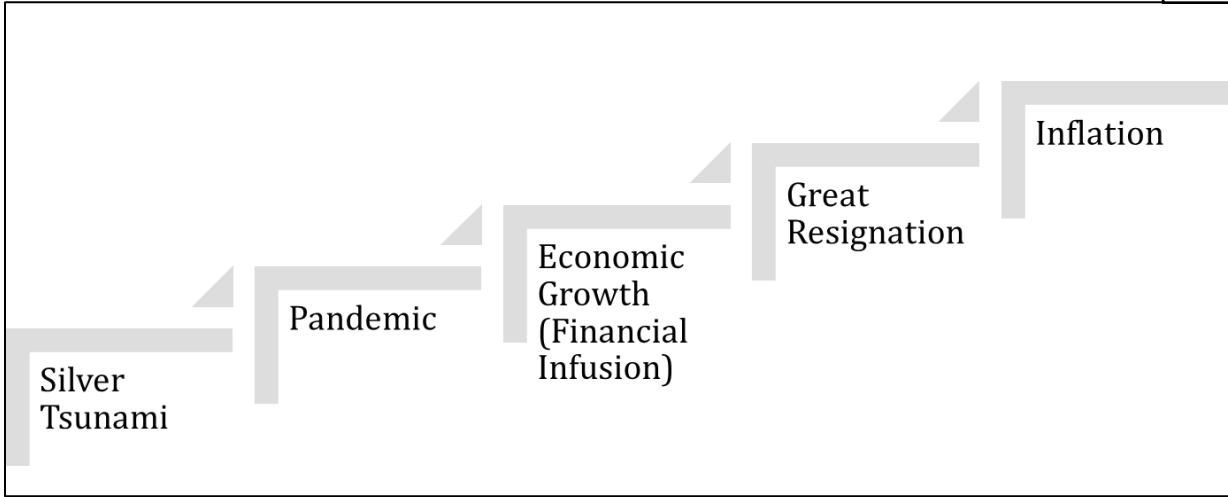
In addition, compounding the public sector recruitment challenges, the Country has experienced continued private industry prosperity (with record inflation, record retirements, and record turnover from an otherwise qualified workforce), causing all industries, both public and private, to be competing for already limited human resources. This has led employers to increase wages for all positions to help recruit and retain their talent. The effect has been substantial, and nearly every employer has been experiencing recruitment and retention challenges. Many businesses report the lack of available workers and have curtailed their ability to meet current work demands, while raising wages.

Inflationary Impact on Employees

The latest trend that has impacted human capital is inflation. Persistent inflation has pushed many in today’s workforce to live paycheck to paycheck, cut back on expenses, dip into their savings and stop contributing to their retirement accounts, etc. The “dollar” for employees does not stretch as far. It is also becoming an issue for mental health, because there is no sense of control over the issue. Employers have a role in addressing this issue. Offering competitive wages that keep up with the rising cost of living is crucial not only for retaining employees but also for ensuring their well-being, so employees do not feel they have to leave simply because they cannot afford to stay.

In summary, the evolution of compensation since 2020 is best described with this illustration.

Figure 10: Evolution of Compensation 2020-2024



Fragile Future

Although there has been position strides in filling vacancies in 2024-2025 nationally, there continue to be hard to fill positions, which includes positions in engineering, inspections, planning, trades, and utilities. The response by employers to focus on this national issue has included:

- Adjusting Minimum Qualifications and repurpose training programs
- Internships
- Apprenticeships
- Part-time/job sharing
- Rehiring Retirees

It is understood the City has struggled with recruitment and retention in one or more area. The City has an opportunity to reconsider its qualifications and introduce more entry level opportunities, to grow and develop its workforce from within, and then focus on retention. The City could also consider other more non-traditional approaches, as described.

To complement these non-traditional approaches, career development is a foundational business strategy that should be valued heavily to help with retention, especially if an organization needs to ‘hire for characteristics, and teach the skills’. Training and professional development are critical elements that support sustaining a highly talented workforce. Offering ongoing training and professional development opportunities for all employees is critical so they may advance their skills and competencies in both their short- and long-term careers. This goes beyond initial training at time of hire.

Career development should be a shared responsibility by the City and employees. As an employer, the City must anticipate future workforce needs and provide training and learning opportunities to prepare employees for these roles. Employees should proactively take

ownership of the development of their careers by knowing what skills and competencies needed for advancement and actively seek out opportunities to gain them. Strategically, each Department, with the support of Human Resources, should identify the skills, expertise, and competencies required for its current and future organizational needs so it can create training and development plans to prepare employees for higher level responsibilities and positions. This then needs to be funded by the City.

Salary Schedule Options

The salary structure is one of the basic building blocks of a base compensation program. The type of structure sends a clear message about an organization's approach to job design, work processes, and organization structure. The type of salary structure an organization chooses must fit its culture, business needs, and operating cycle. The options discussed included the following:

Range Model

When considering a compensation system, some organizations gravitate toward a range model, with a standard mechanism to progress through the system. This gives the City flexibility in hiring based on qualifications and allows the employee to progress toward the market rate for the respective position within a reasonable period of time. The City can also incorporate performance increases with this model. There is typically a top appointed official to ensure all departments are uniformly applying performance measures for consistency across the organization.

Step Model

A compensation system that is common in the public sector, is the step system. Within this system, individuals receive a set increase based upon years in position to advance to the market rate. Individual performance should be a factor of compensation, as movement to the next step should be based upon acceptable documented performance. Step models are also more predictable so employees can see their advancement through the range, is easy to budget for, and can be administered with administrative ease. The frequency of the step can be established by the city, whether annual, or other frequency.

Step/Range Model

A modified Step System incorporates structured progression to reach the average market rate, providing a clear mechanism for aligning salaries with market standards. Beyond this, the system includes a salary range, offering flexibility for salary adjustments above the average market rate to meet organizational needs.

Recommended Compensation System

The recommended Compensation System is provided as Appendix A. There are 21 Pay Grades with 7%-10% between the Pay Grades. Each Pay Grade has 11 steps, each with a 2.5% adjustment between each step. Step F is identified as the calculated 50th Percentile Market Rate, which is 100% of the average market. Overall, the Salary Range from Minimum to Maximum is 28%.

Each step is labeled alphabetically because the City may need flexibility in the speed of progression through the ranges. Step models are not longevity steps, nor should they be a mechanism for additional steps due to attaining certifications. The salary ranges are a reflection of the market from minimum to maximum so step adjustments should be used to provide adequate progression through the ranges to allow an employee a meaningful pathway through the market range with some reasonable controls in place.

It is important that employees attain Step F in a reasonable timeframe. Therefore, the City should allow annual step adjustments, based on adequate performance, up to Step F. The City should have a goal for annual step adjustments beyond Step F, but may need to explore every other year steps to ensure the model is sustainable long term.

Dual Roles

During the Study, it was found some employees serve in multiple positions on a long term or permanent basis. It is recommended that a rate of pay be established for each classification assigned in lieu of adding additional compensation above the base rate. The City will then need to ensure any overtime earned is calculated based on federal overtime standards for multiple rates.

Command Staff

Like other positions, the placement of the command positions considers the market, internal comparability, and compression. Overlap of pay ranges between ranks does occur on the recommended salary schedule and is an acceptable compensation practice. However, the salary ranges for union ranks is determined in a different manner than those non-represented ranks. As the union salary schedules adjust, the City will need to evaluate the compensation separation between employees and allow for command positions to be adjusted to correct compression.

Recommended Classification System

During the course of the Study, there was an opportunity to better align job titles with responsibilities. Some job titles were revised to either have consistency throughout the organization, or to become more current with the external market/respective industry. These changes have been reviewed with Directors and are reflected on the recommended Salary Schedule.

Job Levels

Levels have been confirmed within the job classification concerning the type of work, required qualifications, and job complexity, as well as outline career levels. Once again, levels are categorized by the type and complexity of responsibilities of the position, including the amount of accountability, judgment, discretion and expertise needed to perform the duties of the position. As the complexity of the position increases, and certifications may be added, so does the pay grade. The Position Questionnaire and corresponding point factor system has been utilized to confirm the levels.

Some job levels were created for progression based upon the position, department needs, and market findings. Progression allows the employee to obtain additional credentials/certifications/licenses to perform a more advanced level of work within the job classification, and the more complex work is necessary to the City and Department for most effective operations. Not all positions have this opportunity. The City has this well-defined for some classifications, such as the Administrative Assistant series, but not for others.

Separation between job levels has been reviewed and is incorporated into the final recommendations. Proper pay grade separation helps to reduce compression because overlap of pay ranges between promotional positions does occur on the recommended salary schedule and is an acceptable compensation practice. Having sufficient separation between pay grades will help to keep compression at a manageable level.

In summary, all series or levels have differing responsibilities and criteria outlined to justify the differences in pay grades. The City will need to update the job descriptions to reflect these changes.

Water/Wastewater Utilities Requirements and Certification Pay

A review of the minimum qualifications for each of the positions was conducted, and it was found that there are inconsistent certification requirements in positions, where some positions may require them, while others only list the certification(s) as a preference. It also appears the City requires or prefers almost every available category and subclass offered by the Wisconsin Department of Natural Resources (DNR). The DNR requirements are assigned to each water and wastewater program in the state based on the characteristics of the

systems and plants, which makes every system unique. The City should obtain clarification on what subclasses are required and what subclasses are not required, but would hold operational value to the City for clarification.

In addition, it was found that there are very similar certification requirements for all positions. The City does not currently have a pathway to allow inexperienced candidates an opportunity, and in this current market, relying on finding employees with the required certifications will be very difficult. Typically, certification requirements are built up in a sequence, so requirements are layered, and can be obtained over time. That layering can, at times, result in different grade levels to give employees a career path. This is recommended in lieu of the certification pay program in place, which should be discontinued with the adoption of the new compensation system.

New levels were created in the Water/Wastewater Utilities Division with a recommendation to consider those without experience. The City should consider an apprenticeship or an internship program, and other non-traditional options like rehiring retirees, part-time, etc., to supplement the current workforce. The City has the opportunity to reset the minimum qualifications for these levels. The inconsistency of the minimum qualifications found in the job descriptions has been provided to the Mayor and Public Works Director as a starting point.

Position Placement

Placement onto the respective Salary Schedule is based upon several criteria:

- Job Analysis
- Market analysis
- Compression analysis
- Internal equity

After considering all these elements, placement of some positions on the Salary Schedule has changed. This is not an indication that any given position has more or less value, or that a specific position is even to be compared with the other positions in that respective pay grade, so employees are advised not to compare themselves with other positions given the complexity of the factors that are considered during placement of positions.

On-Call Pay

The intent of on-call pay is to compensate an employee to be available to report to work, if called upon, after normal business hours (but not adjacent to their normal scheduled work shift) for emergency-type situations, such as utility alarms, clearing road hazards, etc. (non-

inclusive examples). This is NOT to be used to cover a standard shift/minimum shift requirement, no matter if the absence was known in advance or not.

On-call programs are not intended to supplement base wages, especially since the City is resetting those salary ranges to the market going forward. The program should establish payment for the interruption of personal time when not scheduled to work due to operational emergencies that exist within the specific industry. It would be administratively prudent to simply select a dollar amount per day/week for on-call status. This payment is additional compensation for the interruption of personal time when not scheduled to work due to operational emergencies that exist.

The City currently utilizes daily rates for Water/Wastewater Utilities positions, whether a weekday (\$18.00), weekend (\$27.00), or holiday (\$30.00). There does not appear to be a recurring trend in the water/wastewater comparable market, because on-call is either paid based on a certain number of hours at straight pay per day, or daily rates. The external market found organizations pay the daily equivalent of 1-8 hours per day, and weekly rates of between 14-20 hours per week, or flat daily rates as the City has.

The City should explore whether any other Department may have after-hours needs (public safety excluded) that can be emergency in nature, that should have a formal on-call program. If that is indeed the case, the City is recommended to develop a consistent and equitable model. It must be reiterated that this system should not be used to extend a normal work shift, nor used to call someone into work to cover an absence. It should be defined for use for emergency-type situations, in which additional assistance is needed to address an operational problem that cannot wait for the next scheduled workday.

Snow Pay

In 2025, the City modified its compensation model for Public Works, to give an additional \$2.50-\$5.00 per day during the non-construction season (November-April) for every day they are available. Days off or a day of unavailability results in no snow pay for those days. The intent behind the payment is worthy, although it is a diminished amount. This does not necessarily fall under on-call, as this is a primary function of the positions during a specific time each year. With that said, the variable and long hours associated when called to work can be difficult when employees also need/desire work/life balance. The City should consider alternative forms of compensation, such as allowing hours of work between 6:00 p.m. – 6:00 a.m. (as an example) for snow events to be paid at time and one-half during the months of November – April.

Employee Placement

Initial Implementation

For purposes of implementation only, employees should be placed to the Minimum of the Pay Range if under Step 1. If above Step 1, an employee should be placed on a step closest to the current salary without a decrease in wages.

Additional In Range Adjustments

Additional adjustments in recognition of time in position is favorable for the City. Additional adjustments are recommended for employees, commensurate with time in position is recommended, although the implementation for these additional adjustments may require multiple budget cycles. In range adjustment options has been provided to the City for additional review.

General Operational Guidelines

Maintenance of Salary Schedule

It is important for the City to have a standardized procedure to adjust the Salary Schedules for consistency and for budgetary forecasting. It is the Consultant's recommendation that on a set date each year, the Salary Schedules be increased by a local economic indicator. For example, since budgeting is done at approximately the same time each year, the City should establish a specific month in which to capture the average of the previous twelve (12) months of the selected economic indicator for a recommended adjustment. The City will still maintain control if conditions and finances fluctuate in a specific year.

The following are the types of adjustments recommended:

Salary Schedule Adjustments

Annually, the Salary Schedule should be adjusted for economic reasons. Without maintaining the Salary Schedule, it will fall below the Market and the City will end up spending dollars to get it updated. Annual Salary Schedule adjustments will keep a competitive Salary Schedule. It is important that the City budgets dollars for increases to the overall Schedule each year. There may be years when the economy cannot support such increases; however, that should be the exception, not the norm.

Annual Performance Adjustments

The Salary Schedule is based on the premise of an annual performance adjustment. Each year, employees can receive the salary increase set by the City Administration for pay-for-performance, unless an employee is on a Performance Improvement Plan, or is a new hire.

Market Adjustment

If there is a shift in the market for a specific position, a Market Adjustment to those incumbent employees could be given, which would be an adjustment into the range. The City is recommended to exercise caution in its use however, because this option is not intended to be a means to simply increase the wages of any employee. In order for the City to offer this, there should be written parameters in place, because this should only be used in a controlled manner for positions that have been verified by the Human Resources Department as having challenges with recruitment/retention based on market fluctuations. These parameters would include:

1. A documented and verified review of local comparables by the Human Resources Department or a third-party consultant.
2. A consistent pattern of recruitment/retention concerns with isolated classifications, as verified by the Human Resources Department.

Metrics

Salary Schedules need to be balanced between what is competitive for recruitment/retention, as well as what is affordable and financially sustainable long term. The City should monitor metrics as an internal indicator to identify if there is a possible concern with the City’s placement in the market. Internally, metrics are standards of measurement used to assess what is occurring within an organization. Metrics tell an organization how well or poorly they are doing, allowing an organization to review, assess, problem solve, and adjust processes, as well as identify challenges or stressors to the organization that may be having a negative impact. Specific metrics may help identify where dollars are being expended that can be costly, including turnover. Although the Consultants acknowledge compensation is not the only reason for unwanted turnover, it is a consideration of the larger picture. In order to ensure competitive recruitment/retention, the City is advised to follow the recommended compensation philosophy to ensure it can stay competitive to support retaining its personnel. Metrics will help identify that success. It is recommended the Human Resources Coordinator compile these metrics for ongoing review.

Table 2: Metrics Recommendations

METRIC	FORMULA TO CALCULATE	PURPOSE
Applicant Tracking	Total number of applications received	Assessing for reduced application stream
Turnover	Number of separations ÷ Number of approved FTE	Effectiveness of compensation and benefits; may identify trends that need further analysis within departments
Early Turnover	Number of employees leaving the job in the first 12 months of employment ÷ average actual # of employees in the job for same time period	Effectiveness of compensation and benefits; may identify trends that need further analysis within departments
Offer Acceptance	The number of employment offers accepted ÷ number of employment offers made	Effectiveness of compensation package
Employee Demographics	Percentage of employees in age categories and years of service categories	Assess work demographic for trends in lower tenure and higher percentage of employees in mobile generation groups (under 40)
Exit Interviews	NA	Documenting reasons for turnover for trends in compensation package

Market Updates

One of the main concerns in any Salary Schedule is the ability to keep it current. Often, an organization spends time and resources to review and reevaluate their Salary Schedule, resulting in providing employees or Pay Grades significant increases because either the positions or the Schedule is not in line with the external market. A Salary Schedule has a typical life span of 3-5 years, at which time market conditions typically necessitate a review. The City can strive to prolong the life of their Schedule if it continues to commit to maintaining its competitiveness with the external market by ensuring market updates occur. Given the current competitive market, the City is recommended to initially conduct a market update in three (3) years. Analyzing turnover and other human resource-type metrics should help indicate if an external market update is required sooner or can be pushed back a year.

Compensation Policy Recommendations

Recommended compensation and position control policy follows. These policy recommendations may differ from the City's existing policy. Current policy requires committee approvals at certain times. Administratively, the City should balance the need for committee approval if funding is available, as confirmed by the Finance Director/Treasurer, and if the Mayor and Human Resources Coordinator have confirmed the candidate meets or exceeds the qualifications to hire above Step A. The current labor market also requires quick decisions for offers of employment so additional flexibility is favorable to the City.

(Ordinance and statutory requirements still apply). The City is highly recommended to consider incorporation of both policy areas into the City's policy after additional review.

A. Salary Administration

New Hires for All Pay Grades - Placement of new hires with the minimum skills and qualifications will normally be hired at the Minimum. A new hire may be hired up to Step C with the approval of the Department Director and Mayor (or designated to the Human Resources Coordinator), under the following conditions:

- The new hire has a level of experience or skill set immediately usable upon hire.
- The market conditions demand a higher starting wage.
- Funds are available in the department budget.

Requests for hiring between Steps D-F must be approved by the Mayor, with a recommendation from the Human Resources Coordinator.

Promotions - An individual who moves to a position in a higher Pay Grade, will be placed at the Minimum of the new salary range; OR the rate closest that provides a 5% increase, if over the Minimum. There may be situations in which a 5% increase may be insufficient, and compression may be a problem. In those rare situations, the Mayor (or designated to the Human Resources Coordinator) may grant up to 10% to alleviate a compression situation, not to exceed the Maximum step.

Laterals - An individual who moves to a position within the same Pay Grade, regardless if it results in a department change, will not receive a salary adjustment for the position change.

Demotions - There are a number of situations that can occur resulting in an employee's pay being lowered and the pay may not be within the established Salary Range. Dependent upon the circumstances, an individual's pay can be handled differently. It will be the responsibility of the Mayor to determine the pay implications due to employee demotions. The following are suggested guidelines:

- A. Demotions that occur because of position changes and/or position consolidations (not based on the performance of the employee), the salary can be "red circled" and frozen at that level until the Salary Range of the new Pay Grade catches up to the employee's salary.
- B. Demotions that occur because the employee voluntarily applied for and accepted a position in a lower Pay Grade, the salary will be reduced within the new Salary Range at the discretion of the Mayor.

- C. Demotion that is a result of the employee's performance, the employee's salary decreased to a placement within the Salary Range of the new Pay Grade, as determined by the Mayor.

Top of the Range - When an employee reaches the Maximum Rate of their Pay Grade, they will be eligible only for the economic Salary Schedule adjustments. Some employers view this as a deterrent for tenured employees to continue to perform at the City's level of expectation. Therefore, the City may consider the option for employees who reach the Maximum Rate to receive the equivalent annual increase in the form of a lump-sum non-base building payment. This method of payment still provides additional compensation to an employee but does not compromise the Schedule.

B. Position Control

Position Placement on the Salary Schedule - For consistency across the organization, all positions within the City's Salary Schedule should be placed on the Salary Schedule as recommended by the third-party consultant using the external market rate of similar positions, point factoring, compression between positions, and based upon internal equity factors.

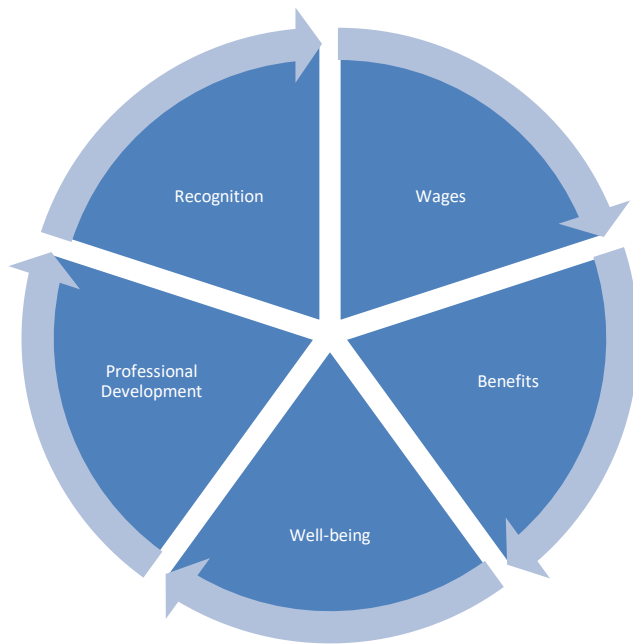
Position Titles - For consistency in Classification structure, all positions within the City's Salary Schedule are assigned an official title. All position requests are expected to conform to the identified titles. Titles for new positions shall be recommended by the Department Director to be reflected on the Salary Schedule once approved by the Mayor and Finance Committee.

Reclassification Adjustment - A reclassification adjustment is movement of a job classification from one Pay Grade to another Pay Grade outside the promotional process. Department Directors must make a request for a reclassification adjustment to Human Resources. The pay grade determination of the third-party consultant shall be submitted to the Finance Committee for final approval. If, after a Pay Grade Evaluation, it is determined the employee's current salary is below the Minimum of the new Pay Grade, the employee shall be placed at the Minimum of the new Pay Grade. If the employee's current salary is within the new Salary Range, they will be placed at the step closest, without a decrease. If, after a Pay Grade Evaluation, it is determined the employee's current salary exceeds the Maximum Rate of the new Pay Grade, the employee's salary shall be reduced to the maximum pay for that salary range so no employee is over the maximum of the published range.

Total Rewards

How does an employer create compensation and benefits programs that can help to attract the right talent, retain that talent, and help to engage that talent now and in the future? By taking a total rewards approach - a combination of salary, benefits, rewards, wellbeing, and engagement. In today's current market, it shifts the focus from the 'employee' to the 'human being'. A Total Rewards model encompasses specific employment elements to drive performance and a positive employment experience, which should promote retention. A Total Rewards model considers the following:

Figure 11: Total Rewards Visual



A total rewards model provides a framework for designing, implementing, and assessing the rewards packages offered throughout the organization. Organizations should always consider various influences, both internal and external, that help shape an organization's unique culture, business strategy, and human resources strategy. It will be important that the organization continue to focus on that balance going forward with the current labor market conditions and acknowledging what is valued and important to various generations that make up current and future employees. The City currently has presented current opportunities in all of the respective areas, which is positive. This framework can be further supported with the information provided in the Benefits Section of the Report.

Benefits

In addition to compensation, the City asked that a comparison of major benefits be completed. The following is a summary of how the City is faring in the market for health insurance and paid time benefits, which are two (2) of the most important benefits to employees. Because all public employers are on the Wisconsin Retirement System, this was not specifically reviewed.

Health Insurance

Plan Design Overview

The City offers three (3) healthcare plan options, an HMO, POS, and PPO. These plans offer the same deductible, though coverage details may differ. No employee is currently enrolled in the PPO.

Table 3: Health Plan Summary

PLAN DESCRIPTION	DEDUCTIBLE AMOUNTS (S/F)	OUT OF POCKET MAXIMUMS (S/F)	MONTHLY EMPLOYEE CONTRIBUTION (S/F)
Dean HMO	\$500/\$1,000	\$1,750/\$3,500	\$108.79/\$261.63
Dean POS	\$500/\$1,000	\$1,750/\$3,500	\$196.42/\$476.71
Dean PPO	\$500/\$1,000	\$1,750/\$3,500	\$422.23/\$1,030.99

The General employee's premium is calculated at 88% of the lowest cost plan, and that rate is applied to any plan elected as a flat rate. Police and Fire rates are negotiated and have a varying contribution equivalent to 90% of the lowest cost plan or lowest cost state offered plan. Although Police and Fire rates are negotiated and subject to quid quo pro, this inequity is something the City should work to achieve parity throughout the City.

Across the nation, many organizations have adopted higher deductibles and coinsurance limits in health plans, shifting more costs to end users—a trend that has become standard. In contrast, the City provides one (1) health insurance plan with identical deductibles and out-of-pocket maximums, differing only in how services are covered. By offering multiple plan options, the City would enable employees to choose coverage that best suits their individual and family needs, enhancing the overall benefits package. Having individual choice in benefits has become very important to employees since 2020.

A plan design that has grown in popularity is a High Deductible Health Plan (HDHP) which is then eligible to offer a Health Savings Account (HSA), a portable fund that employees can use toward medical expenses. Comparable organizations reported average annual employer HSA contributions of \$500-\$1,250 for single coverage and \$1,000-\$2,500 for family

coverage. The City should explore adding an additional plan design in the future. Should so, deductible amounts must be no less than \$1,650/\$3,300.

Premiums

It is extremely difficult to compare health insurance, as the number of plans and the plan designs are significantly different among organizations. What can be compared is the amount the employee contributes toward the cost of that insurance. As the City is aware, the cost of health insurance is a large budget item for any organization. Health insurance is also often the single largest benefit looked at by potential new hires with the City, so a review of employee contributions to this benefit is imperative for offering a comprehensive benefit package.

The Consultants conducted a comparison between the City's 2025 health plans and the comparable organization's health plans for a more accurate assessment of insurance within its specific peer group. Below are the results from comparable entities that provided benefit data, categorized into single and family coverage.

Table 4: Single Plan Premium Comparison

COMPARABLE	DESCRIPTION	SINGLE ANNUAL PREMIUM	DEDUCTIBLE AMOUNT
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$475.00
Hartford, WI	UMR 1900 PPO	\$0.00	\$1,900.00
Lake Mills, WI	Self Fund Health	\$0.00	\$0.00
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$1,600.00
Sun Prairie, WI	GHC Select HMO	\$0.00	\$500.00
Sun Prairie, WI	PPO	\$0.00	\$500.00
Waukesha City, WI	PPO2	\$0.00	\$1,450.00
Brookfield, WI	HDHP (Wellness)	\$674.88	
Menomonee Falls, WI	HMO	\$914.16	\$2,750.00
McFarland, WI	GHC-SCW DANE CHOICE	\$1,004.16	\$0.00
Fort Atkinson, WI	Quartz - UW Health	\$1,128.96	
Waupun, WI	Plan 2	\$1,201.92	\$3,300.00
Beaver Dam, WI		\$1,266.12	
West Allis, WI	PPO (Wellness)	\$1,271.52	\$250.00
Jefferson County, WI	Mercy Care Health Plans	\$1,275.24	
Waukesha County, WI	HDHP	\$1,283.28	\$2,100.00
Waukesha City, WI	PPO1 (Wellness)	\$1,284.00	\$750.00
Jefferson City, WI		\$1,293.60	\$1,650.00
Germantown, WI	Silver Plan	\$1,296.36	\$3,000.00
Watertown, WI	HMO	\$1,305.48	\$500.00
Waupun, WI	HMO Plan 1	\$1,335.12	\$2,000.00
Brookfield, WI	HDHP	\$1,349.76	

Fort Atkinson, WI	Mercy Care Health Plans	\$1,388.64	
Pewaukee, WI	GHC-SCW Neighbors	\$1,485.48	\$500.00
Hartland, WI	Network Health Southeast Plan	\$1,498.92	
Germantown, WI	Gold Plan	\$1,515.84	\$1,000.00
Dodge County, WI	HDHP HMO (Wellness)	\$1,616.88	\$4,000.00
West Allis, WI	HDHP (Wellness)	\$1,626.36	\$1,650.00
Hartland, WI	Dean Network Health Plan	\$1,763.16	
Jefferson County, WI	GHC- SCW Neighbors	\$1,767.72	
McFarland, WI	QUARTZ - UW HEALTH	\$1,797.12	\$0.00
Brookfield, WI	PPO Plan (Wellness)	\$2,039.04	
Fort Atkinson, WI	GHC-SCW Neighbors	\$2,041.68	
West Allis, WI	PPO	\$2,119.32	\$250.00
Dodge County, WI	HDHP HMO	\$2,122.08	\$4,000.00
Waukesha City, WI	PPO1	\$2,139.84	\$750.00
Dodge County, WI	HDHP PPO (Wellness)	\$2,223.36	\$4,000.00
Watertown, WI	POS	\$2,357.04	\$500.00
Pewaukee, WI	Dean Health Plan	\$2,407.80	\$500.00
West Bend, WI		\$2,600.04	\$0.00
Jefferson County, WI	Dean Health Plan	\$2,697.48	
West Allis, WI	HDHP	\$2,710.68	\$1,650.00
Brookfield, WI	PPO Plan	\$2,718.72	
Dodge County, WI	HDHP PPO	\$2,918.16	\$4,000.00
Fort Atkinson, WI	Dean Health Insurance	\$2,964.00	
McFarland, WI	Dean Health Plan	\$3,791.76	\$0.00
Pewaukee, WI	Local Access Plan	\$5,015.16	\$500.00
Watertown, WI	PPO	\$5,066.76	\$500.00
Jefferson County, WI	Access Plan - Dean	\$5,083.32	
Pewaukee, WI	HealthPartners Southeast	\$5,335.08	\$500.00
Pewaukee, WI	Quartz Central	\$5,540.76	\$500.00
Jefferson County, WI	Quartz Central	\$5,725.56	

Table 5: Family Plan Premium Comparison

COMPARABLE	DESCRIPTION	FAMILY ANNUAL PREMIUM	DEDUCTIBLE AMOUNT
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$750.00
Hartford, WI	UMR 1900 PPO	\$0.00	\$3,000.00
Lake Mills, WI	Self Fund Health	\$0.00	\$0.00
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$3,200.00
Sun Prairie, WI	GHC Select HMO	\$0.00	\$1,000.00
Sun Prairie, WI	PPO	\$0.00	\$1,000.00
Waukesha City, WI	PPO2	\$0.00	\$2,650.00
Germantown, WI	Silver Plan	\$1,555.92	\$6,000.00
Brookfield, WI	HDHP (Wellness)	\$1,657.20	
Germantown, WI	Gold Plan	\$1,818.36	\$2,000.00

McFarland, WI	GHC-SCW DANE CHOICE	\$2,449.68	\$0.00
Menomonee Falls, WI	HMO	\$2,559.60	\$5,500.00
Fort Atkinson, WI	Quartz - UW Health	\$2,761.56	
Waupun, WI	Plan 2	\$3,004.80	\$6,600.00
Jefferson County, WI	Mercy Care Health Plans	\$3,134.52	
Watertown, WI	HMO	\$3,139.56	\$1,000.00
Beaver Dam, WI		\$3,165.24	
Jefferson City, WI		\$3,234.24	\$3,300.00
Brookfield, WI	HDHP	\$3,314.40	
Waupun, WI	HMO Plan 1	\$3,337.44	\$4,000.00
Fort Atkinson, WI	Mercy Care Health Plans	\$3,410.76	
Waukesha County, WI	HDHP	\$3,467.28	\$4,200.00
Pewaukee, WI	GHC-SCW Neighbors	\$3,637.68	\$1,000.00
Hartland, WI	Network Health Southeast Plan	\$3,686.28	
West Allis, WI	PPO (Wellness)	\$3,712.44	\$750.00
Waukesha City, WI	PPO1 (Wellness)	\$4,017.84	\$1,250.00
Dodge County, WI	HDHP HMO (Wellness)	\$4,042.08	\$8,000.00
Hartland, WI	Dean Network Health Plan	\$4,346.76	
Jefferson County, WI	GHC- SCW Neighbors	\$4,365.72	
McFarland, WI	QUARTZ - UW HEALTH	\$4,432.08	\$0.00
Watertown, WI	POS	\$5,720.52	\$1,000.00
West Allis, WI	HDHP (Wellness)	\$4,760.40	\$3,300.00
Fort Atkinson, WI	GHC-SCW Neighbors	\$5,043.48	
Brookfield, WI	PPO Plan (Wellness)	\$5,100.96	
West Bend, WI		\$5,199.96	\$0.00
Dodge County, WI	HDHP HMO	\$5,305.20	\$4,000.00
Dodge County, WI	HDHP PPO (Wellness)	\$5,558.16	\$8,000.00
Pewaukee, WI	Dean Health Plan	\$5,943.36	\$1,000.00
West Allis, WI	PPO	\$6,187.44	\$750.00
Jefferson County, WI	Dean Health Plan	\$6,690.12	
Waukesha City, WI	PPO1	\$6,696.60	\$1,250.00
Brookfield, WI	PPO Plan	\$6,801.12	
Dodge County, WI	HDHP PPO	\$7,295.04	\$4,000.00
Fort Atkinson, WI	Dean Health Insurance	\$7,349.16	
West Allis, WI	HDHP	\$7,934.04	\$3,300.00
McFarland, WI	Dean Health Plan	\$9,418.80	\$0.00
Watertown, WI	PPO	\$12,371.88	\$1,000.00
Pewaukee, WI	Local Access Plan	\$12,462.00	\$1,000.00
Jefferson County, WI	Access Plan - Dean	\$12,654.84	
Pewaukee, WI	HealthPartners Southeast	\$13,261.68	\$1,000.00
Pewaukee, WI	Quartz Central	\$13,775.76	\$1,000.00
Jefferson County, WI	Quartz Central	\$14,260.20	
Fort Atkinson, WI	Quartz Central	\$15,181.56	

This is not a comprehensive picture because employees have actual claims costs as well.

Expected Employee Cost

Because premiums and deductibles are varied in the region, when considering the cost of the monthly premium plus the deductible, this is a truer look at the expected employee cost. This calculation shows the City's true position in the market as shown in the Tables below.

Table 6: Single Plan Comparable Review

COMPARABLE	PLAN DESCRIPTION	SINGLE ANNUAL PREMIUM	DEDUCTIBLE AMOUNT	EXPECTED ANNUAL RISK TO EMPLOYEE
Lake Mills, WI	Self Fund Health	\$0.00	\$0.00	\$0.00
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$475.00	\$475.00
Sun Prairie, WI	GHC Select HMO	\$0.00	\$500.00	\$500.00
Sun Prairie, WI	PPO	\$0.00	\$500.00	\$500.00
McFarland, WI	GHC-SCW DANE CHOICE	\$1,004.16	\$0.00	\$1,004.16
Waukesha City, WI	PPO2	\$0.00	\$1,450.00	\$1,450.00
West Allis, WI	PPO (Wellness)	\$1,271.52	\$250.00	\$1,521.52
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$1,600.00	\$1,600.00
McFarland, WI	QUARTZ - UW HEALTH	\$1,797.12	\$0.00	\$1,797.12
Watertown, WI	HMO	\$1,305.48	\$500.00	\$1,805.48
Hartford, WI	UMR 1900 PPO	\$0.00	\$1,900.00	\$1,900.00
Pewaukee, WI	GHC-SCW Neighbors	\$1,485.48	\$500.00	\$1,985.48
Waukesha City, WI	PPO1 (Wellness)	\$1,284.00	\$750.00	\$2,034.00
West Allis, WI	PPO	\$2,119.32	\$250.00	\$2,369.32
Germantown, WI	Gold Plan	\$1,515.84	\$1,000.00	\$2,515.84
West Bend, WI		\$2,600.04	\$0.00	\$2,600.04
Watertown, WI	POS	\$2,357.04	\$500.00	\$2,857.04
Waukesha City, WI	PPO1	\$2,139.84	\$750.00	\$2,889.84
Pewaukee, WI	Dean Health Plan	\$2,407.80	\$500.00	\$2,907.80
Jefferson City, WI		\$1,293.60	\$1,650.00	\$2,943.60
West Allis, WI	HDHP (Wellness)	\$1,626.36	\$1,650.00	\$3,276.36
Waupun, WI	HMO Plan 1	\$1,335.12	\$2,000.00	\$3,335.12
Waukesha County, WI	HDHP	\$1,283.28	\$2,100.00	\$3,383.28
Menomonee Falls, WI	HMO	\$914.16	\$2,750.00	\$3,664.16
McFarland, WI	Dean Health Plan	\$3,791.76	\$0.00	\$3,791.76
Germantown, WI	Silver Plan	\$1,296.36	\$3,000.00	\$4,296.36
West Allis, WI	HDHP	\$2,710.68	\$1,650.00	\$4,360.68
Waupun, WI	Plan 2	\$1,201.92	\$3,300.00	\$4,501.92
Pewaukee, WI	Local Access Plan	\$5,015.16	\$500.00	\$5,515.16
Watertown, WI	PPO	\$5,066.76	\$500.00	\$5,566.76
Dodge County, WI	HDHP HMO (Wellness)	\$1,616.88	\$4,000.00	\$5,616.88
Pewaukee, WI	HealthPartners Southeast	\$5,335.08	\$500.00	\$5,835.08
Pewaukee, WI	Quartz Central	\$5,540.76	\$500.00	\$6,040.76
Dodge County, WI	HDHP HMO	\$2,122.08	\$4,000.00	\$6,122.08
Dodge County, WI	HDHP PPO (Wellness)	\$2,223.36	\$4,000.00	\$6,223.36

*Comparables that did not provide deductible amounts excluded

Table 7: Family Plan Comparable Review

COMPARABLE	PLAN DESCRIPTION	FAMILY ANNUAL PREMIUM	DEDUCTIBLE AMOUNT	EXPECTED ANNUAL RISK TO EMPLOYEE
Lake Mills, WI	Self Fund Health	\$0.00	\$0.00	\$0.00
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$750.00	\$750.00
Sun Prairie, WI	GHC Select HMO	\$0.00	\$1,000.00	\$1,000.00
Sun Prairie, WI	PPO	\$0.00	\$1,000.00	\$1,000.00
McFarland, WI	GHC-SCW DANE CHOICE	\$2,449.68	\$0.00	\$2,449.68
Waukesha City, WI	PPO2	\$0.00	\$2,650.00	\$2,650.00
Hartford, WI	UMR 1900 PPO	\$0.00	\$3,000.00	\$3,000.00
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$3,200.00	\$3,200.00
Germantown, WI	Gold Plan	\$1,818.36	\$2,000.00	\$3,818.36
Watertown, WI	HMO	\$3,139.56	\$1,000.00	\$4,139.56
McFarland, WI	QUARTZ - UW HEALTH	\$4,432.08	\$0.00	\$4,432.08
West Allis, WI	PPO (Wellness)	\$3,712.44	\$750.00	\$4,462.44
Pewaukee, WI	GHC-SCW Neighbors	\$3,637.68	\$1,000.00	\$4,637.68
West Bend, WI		\$5,199.96	\$0.00	\$5,199.96
Waukesha City, WI	PPO1 (Wellness)	\$4,017.84	\$1,250.00	\$5,267.84
Watertown, WI	POS	\$4,512.72	\$1,000.00	\$5,512.72
Jefferson City, WI		\$3,234.24	\$3,300.00	\$6,534.24
West Allis, WI	PPO	\$6,187.44	\$750.00	\$6,937.44
Pewaukee, WI	Dean Health Plan	\$5,943.36	\$1,000.00	\$6,943.36
Waupun, WI	HMO Plan 1	\$3,337.44	\$4,000.00	\$7,337.44
Germantown, WI	Silver Plan	\$1,555.92	\$6,000.00	\$7,555.92
Waukesha County, WI	HDHP	\$3,467.28	\$4,200.00	\$7,667.28
Waukesha City, WI	PPO1	\$6,696.60	\$1,250.00	\$7,946.60
Menomonee Falls, WI	HMO	\$2,559.60	\$5,500.00	\$8,059.60
West Allis, WI	HDHP (Wellness)	\$4,760.40	\$3,300.00	\$8,060.40
Dodge County, WI	HDHP HMO	\$5,305.20	\$4,000.00	\$9,305.20
McFarland, WI	Dean Health Plan	\$9,418.80	\$0.00	\$9,418.80
Waupun, WI	Plan 2	\$3,004.80	\$6,600.00	\$9,604.80
West Allis, WI	HDHP	\$7,934.04	\$3,300.00	\$11,234.04
Dodge County, WI	HDHP PPO	\$7,295.04	\$4,000.00	\$11,295.04
Dodge County, WI	HDHP HMO (Wellness)	\$4,042.08	\$8,000.00	\$12,042.08
Watertown, WI	PPO	\$12,371.88	\$1,000.00	\$13,371.88
Pewaukee, WI	Local Access Plan	\$12,462.00	\$1,000.00	\$13,462.00
Dodge County, WI	HDHP PPO (Wellness)	\$5,558.16	\$8,000.00	\$13,558.16

*Comparables that did not provide deductible amounts excluded

When considering deductible amounts alongside premium costs, the City's position with the plans improve. HRA/HSA amounts are not calculated, so these types of programs will further reduce the employee expected cost. Next, we examine how the City compares in terms of out-of-pocket maximums.

The following tables demonstrate that employees who experience a major medical event exceeding their deductible will face an average overall risk with the City's plan compared to comparable plans, particularly when considering the maximum out of pocket expenses.

Table 8: Single Plan Maximum Risk Comparative Review

COMPARABLE	PLAN DESCRIPTION	SINGLE ANNUAL PREMIUM	OUT OF POCKET MAXIMUM	HIGHEST ANNUAL RISK TO EMPLOYEE
Lake Mills, WI	Self Fund Health	\$0.00	\$0.00	\$0.00
Sun Prairie, WI	GHC Select HMO	\$0.00	\$1,000.00	\$1,000.00
Sun Prairie, WI	PPO	\$0.00	\$1,000.00	\$1,000.00
Waukesha City, WI	PPO1 (Wellness)	\$1,284.00	\$1,100.00	\$2,384.00
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$2,475.00	\$2,475.00
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$2,500.00	\$2,500.00
Waukesha City, WI	PPO2	\$0.00	\$2,950.00	\$2,950.00
Watertown, WI	HMO	\$1,305.48	\$1,750.00	\$3,055.48
Waukesha City, WI	PPO1	\$2,139.84	\$1,100.00	\$3,239.84
Waupun, WI	HMO Plan 1	\$1,335.12	\$2,000.00	\$3,335.12
Watertown, WI	POS	\$2,357.04	\$1,750.00	\$4,107.04
Germantown, WI	Silver Plan	\$1,296.36	\$3,000.00	\$4,296.36
Waupun, WI	Plan 2	\$1,201.92	\$3,300.00	\$4,501.92
Waukesha County, WI	HDHP	\$1,283.28	\$3,250.00	\$4,533.28
West Allis, WI	HDHP (Wellness)	\$1,626.36	\$3,000.00	\$4,626.36
West Allis, WI	PPO (Wellness)	\$1,271.52	\$3,500.00	\$4,771.52
Dodge County, WI	HDHP HMO (Wellness)	\$1,616.88	\$4,000.00	\$5,616.88
West Allis, WI	PPO	\$2,119.32	\$3,500.00	\$5,619.32
West Allis, WI	HDHP	\$2,710.68	\$3,000.00	\$5,710.68
Hartford, WI	UMR 1900 PPO	\$0.00	\$5,900.00	\$5,900.00
Dodge County, WI	HDHP HMO	\$2,122.08	\$4,000.00	\$6,122.08
Dodge County, WI	HDHP PPO (Wellness)	\$2,223.36	\$4,000.00	\$6,223.36
Menomonee Falls, WI	HMO	\$914.16	\$5,500.00	\$6,414.16
Germantown, WI	Gold Plan	\$1,515.84	\$5,000.00	\$6,515.84
Watertown, WI	PPO	\$5,066.76	\$1,750.00	\$6,816.76
Dodge County, WI	HDHP PPO	\$2,918.16	\$4,000.00	\$6,918.16
West Bend, WI		\$2,600.04	\$5,000.00	\$7,600.04
McFarland, WI	GHC-SCW DANE CHOICE	\$1,004.16	\$9,200.00	\$10,204.16
Pewaukee, WI	GHC-SCW Neighbors	\$1,485.48	\$9,100.00	\$10,585.48
McFarland, WI	QUARTZ - UW HEALTH	\$1,797.12	\$9,200.00	\$10,997.12
Pewaukee, WI	Dean Health Plan	\$2,407.80	\$9,100.00	\$11,507.80
McFarland, WI	Dean Health Plan	\$3,791.76	\$9,200.00	\$12,991.76
Pewaukee, WI	Local Access Plan	\$5,015.16	\$9,100.00	\$14,115.16
Pewaukee, WI	HealthPartners Southeast	\$5,335.08	\$9,100.00	\$14,435.08

Pewaukee, WI	Quartz Central	\$5,540.76	\$9,100.00	\$14,640.76
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*Comparables that did not provide deductible amounts excluded

Table 9: Family Plan Maximum Risk Comparative Review

COMPARABLE	PLAN DESCRIPTION	FAMILY ANNUAL PREMIUM	OUT OF POCKET MAXIMUM	HIGHEST ANNUAL RISK TO EMPLOYEE
Sun Prairie, WI	GHC Select HMO	\$0.00	\$2,000.00	\$2,000.00
Sun Prairie, WI	PPO	\$0.00	\$2,000.00	\$2,000.00
Hartford, WI	UMR 475 PPO (Wellness)	\$0.00	\$2,750.00	\$2,750.00
Lake Mills, WI	Alliance + trilogy Network	\$0.00	\$5,000.00	\$5,000.00
Waukesha City, WI	PPO2	\$0.00	\$5,650.00	\$5,650.00
Waukesha City, WI	PPO1 (Wellness)	\$4,017.84	\$1,950.00	\$5,967.84
Watertown, WI	HMO	\$3,139.56	\$3,500.00	\$6,639.56
Hartford, WI	UMR 1900 PPO	\$0.00	\$7,000.00	\$7,000.00
Waupun, WI	HMO Plan 1	\$3,337.44	\$4,000.00	\$7,337.44
Germantown, WI	Silver Plan	\$1,555.92	\$6,000.00	\$7,555.92
Waukesha City, WI	PPO1	\$6,696.60	\$1,950.00	\$8,646.60
Watertown, WI	POS	\$5,720.52	\$3,500.00	\$9,220.52
Dodge County, WI	HDHP HMO	\$5,305.20	\$4,000.00	\$9,305.20
Waupun, WI	Plan 2	\$3,004.80	\$6,600.00	\$9,604.80
Waukesha County, WI	HDHP	\$3,467.28	\$6,500.00	\$9,967.28
West Allis, WI	PPO (Wellness)	\$3,712.44	\$7,000.00	\$10,712.44
West Allis, WI	HDHP (Wellness)	\$4,760.40	\$6,000.00	\$10,760.40
Dodge County, WI	HDHP PPO	\$7,295.04	\$4,000.00	\$11,295.04
Germantown, WI	Gold Plan	\$1,818.36	\$10,000.00	\$11,818.36
Dodge County, WI	HDHP HMO (Wellness)	\$4,042.08	\$8,000.00	\$12,042.08
West Allis, WI	PPO	\$6,187.44	\$7,000.00	\$13,187.44
Dodge County, WI	HDHP PPO (Wellness)	\$5,558.16	\$8,000.00	\$13,558.16
Menomonee Falls, WI	HMO	\$2,559.60	\$11,000.00	\$13,559.60
West Allis, WI	HDHP	\$7,934.04	\$6,000.00	\$13,934.04
West Bend, WI		\$5,199.96	\$10,000.00	\$15,199.96
Watertown, WI	PPO	\$12,371.88	\$3,500.00	\$15,871.88
McFarland, WI	GHC-SCW DANE CHOICE	\$2,449.68	\$18,400.00	\$20,849.68
Pewaukee, WI	GHC-SCW Neighbors	\$3,637.68	\$18,200.00	\$21,837.68
McFarland, WI	QUARTZ - UW HEALTH	\$4,432.08	\$18,400.00	\$22,832.08
Pewaukee, WI	Dean Health Plan	\$5,943.36	\$18,200.00	\$24,143.36
McFarland, WI	Dean Health Plan	\$9,418.80	\$18,400.00	\$27,818.80
Pewaukee, WI	Local Access Plan	\$12,462.00	\$18,200.00	\$30,662.00
Pewaukee, WI	HealthPartners Southeast	\$13,261.68	\$18,200.00	\$31,461.68
Pewaukee, WI	Quartz Central	\$13,775.76	\$18,200.00	\$31,975.76

*Comparables that did not provide deductible amounts excluded

The City's HMO and POS plans, although not the strongest in the market, rates well in a catastrophic employee event.

In Lieu of Coverage Payment

The City has the discretion to implement a cash-in-lieu of health insurance program, allowing employees who have alternative health coverage to receive a taxable cash payment instead of enrolling in the employer-provided health plan. Several important considerations must be taken into account:

1. Cash payments made in lieu of health benefits are considered taxable income for employees. Employers must report these payments accordingly, and employees should be aware of the tax implications.
2. Cash payments must be included in the calculation of an employee's regular rate of pay for determining overtime compensation. This inclusion increases the employer's overtime pay obligations.
3. Cash-in-lieu programs must be consistently implemented across all eligible employees to avoid discrimination claims, including bargained positions. There is additional impact to the collective bargaining process.
4. Offering cash-in-lieu options might lead to adverse selection, where healthier employees opt out, leaving a higher-risk pool insured, which could increase overall health plan costs. To mitigate risks associated with adverse selection and to comply with ACA regulations, employers should require employees opting out of health coverage to provide proof of alternative minimum essential coverage. This practice helps ensure that employees are not left without health insurance and supports the employer's compliance efforts.

In light of this, a cash-in-lieu of program is not recommended for the City at this time even though a small number of comparable organizations do offer this program in the market.

Health Insurance Summary

The City would develop more value for employees by offering multiple plan design options (deductible options etc.) for employees. While some newer members of the workforce may not fully appreciate the importance of health insurance, most existing employees and more experienced applicants recognize its value. By maintaining competitive premiums, continuing to offer a wellness program, and offering multiple plan options, the City will be well-positioned with an appealing and competitive health benefits package. Feedback was offered during the Study that employees are dissatisfied with leaving the State's Health Plan. Studying a strategic decision of that nature exceeds the scope of this study. With that said, with the recent changes the City made, it appears the City is not the highest in the market in health insurance coverage, nor is it the lowest, so the City should focus on maintaining its

position, and not fall behind with this benefit offering, and focus more on internal organization wide.

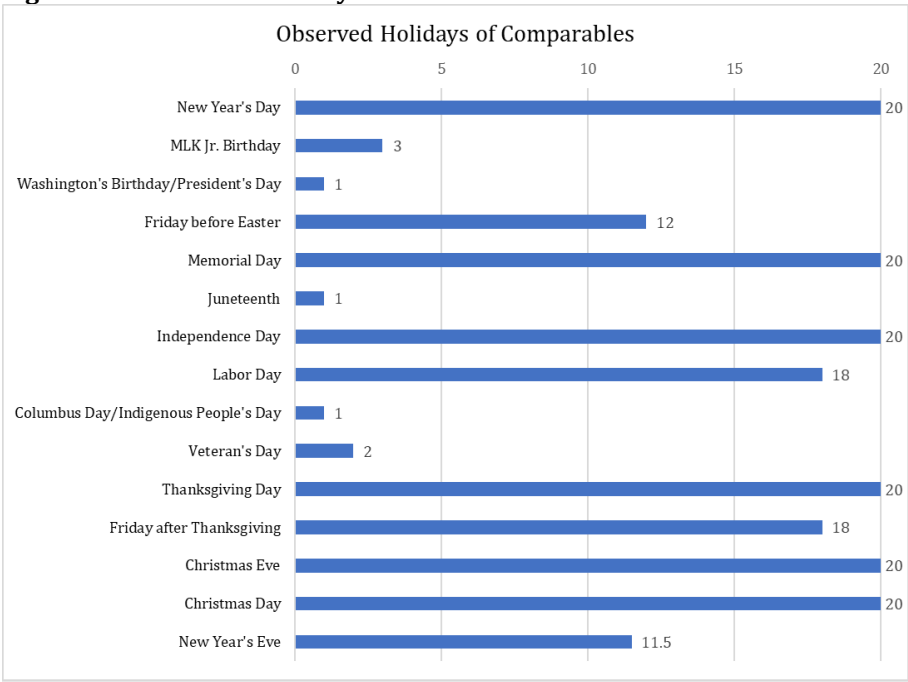
Time-Off Benefits

Time-off and work/life balance continue to be top areas candidates and employees look at when considering employment and retention. Therefore, the City’s paid time-off benefits were also reviewed.

Holidays

Currently the City offers a total of 11 observed holidays. The comparables that provided holiday information reported total observed holidays between 6-11 days, with most reporting 10 days. The figure below displays the observed holidays based on the number of comparables that reported them.

Figure 12: Observed Holidays



Some comparables also reported providing between 1-4 personal days/floating holidays per year, with the average reporting 2 days. Floating holidays are beneficial when the City does not observe a federal holiday or for an individual religious holiday or traditional practices that do not align with the City’s holiday schedule. The City should consider adding one (1) personal day or floating holiday to complement the observed holidays.

Vacation

The City has two (2) vacation models (excluding exceptions for public safety), summarized as follows:

Table 9: Current Vacation Models

Employee Group	Levels of Accrual	Minimum Annual Accrual	Maximum Annual Accrual	Years to Reach Maximum
Hourly	10	10 days	25 days	21 years
Salary	3	15 days	25 days	16 years

The comparables provide a range of 5-10 days in the first year of service, with the majority reporting a starting accrual of 10 days annually. The maximum number of vacation day accruals range from 25-30 days, with the average accrual of respondents at 200 hours, which is occurring between the 15th - 25th year of employment, so the City is aligned to the market.

The City’s vacation program is upfront, or front-loading, which means employees are given their vacation at the first of the year, and have the entire year to use their balance. There is a small carryover provision into the new year for use in the first quarter, if needed. It is understood the City has transitioned to an up-front model in the last few years. However, the challenge with this type of model is the administration of the program when employees term throughout the year and have overutilized their benefit that must then be reimbursed back to the City. That payback process may be problematic when employers attempt to make adjustments on the final paycheck, because the City also needs to ensure all hours worked on the check are paid at least to the federal minimum wage, and large amounts of vacation being reclaimed puts the City at risk to not collect all the dollars in order to comply with federal minimum wage laws. The City should consider transitioning the vacation program back into an accumulating model on a pay period basis if it retains the vacation benefit. Paid Time Off (PTO) is an alternative option for the City, discussed later.

In addition, although it is understood Police and Fire work schedules vary, the City has accommodated the FLSA 207(k) scheduling into their respective scheduling pattern. As a result, it would appear that the Fire and Police unions accumulate more time-off by the week than general employees, which is a bigger picture equity consideration.

Sick Leave

The City offers 4 hours of sick leave accumulated per pay period (104 hours) to a maximum balance of 120 days. The comparables reported a range of sick accrual between 6-12 days, with most at 12 days (96 hours) and a maximum balance range between 25-180 days.

The City could adjust its sick time to 12 days per year, to be more aligned with the rest of the state. However, this may be an opportunity for the City to look at an alternative form of time-off program, called PTO.

Paid Time-Off

Work/life balance, flexibility, and paid time-off topics are very important to the total compensation package. Having the rules and variations for each of the traditional methods of time-off may be confusing and frustrating for employees and managers, and it is likely a significant administrative burden to the administrative staff who set up and monitor the use of these forms of leave. Many organizations add stringent rules for the use of benefits to help the employees manage their personal situations, but that often makes programs more difficult to manage, so considering an alternative time-off program option may be beneficial to the City. This may also be very advantageous for future recruitment, when candidates are looking for increased flexibility with time-off.

Paid Time-Off (PTO) is a single bank of time-off, which is then used for sick, vacation, and even bereavement time, instead of having different banks of time for different purposes. Some organizations include holidays in this program, while others do not. Generally, PTO has a larger overall rate than vacation, but less than vacation and sick time combined as a tradeoff for the increased flexibility provided under a PTO program, and there is an overall payout on the benefit. The benefit has administrative ease, simplification, and new flexibility for employees. Oftentimes the biggest challenge is transitioning accumulated sick and vacation hours into a new program, but this can be done successfully without loss of accumulated time. Organizations that have done this are satisfied with the result once the transition is complete. Multiple comparables reported using a PTO benefit for their employees with an annual minimum accrual range of 9-25 days and a maximum accrual range of 29-60 days. The City could consider the concept of PTO to offer more flexibility within their benefits in the future.

Typically, when an organization transitions to a PTO program, there is discussion of what to do with the current banks of time. It is customary for vacation to be rolled over into the PTO program so employees start with a balance of time. Available sick time can then be rolled into an Extended Leave Bank, in which employees may utilize this bank for major illness/accident events and FMLA qualifying events. This way, the sick time the employee has already accumulated is still available for significant events in their personal life. For hours that have been earned and are vested, there will need to be a payout mechanism built into these banks so there is no loss to the employee as a result of the change in programs, but the banks simply do not need to accumulate new hours, if not desired by the City. Extended Leave Banks could be a grandfathered provision for current employees with sick time, so new employees would not be eligible. Other programs allow employees to move PTO into the Extended Leave Bank annually.

Benefit Enhancement Opportunities

Organizations should always consider various trends and influences, both public and private sector, to keep competitive with benefits. The current trend in benefits is individualization to help meet the varying needs of a generationally diverse workforce. The following are other opportunities the City should explore in the future.

Longevity

Longevity is a traditional and tenured benefit intermittently found in the public sector that has never been proven to be effective toward promoting efficient and effective services, nor is it typically considered a retention tool simply because the amount is not intended to augment wages, nor is it base building. Longevity is instead considered a recognition benefit, but it is not often viewed as that.

The City currently offers a longevity program, which was grandfathered in 2011. This program does not allow new participants, but honors long-term employees who were in the program at the time it became grandfathered:

Table 10: Grandfathered Longevity Program

Years of Service	Annual Longevity Payment
After 8	\$175.50
After 12	\$351.00
After 16	\$526.50

Longevity programs have gained popularity in the last couple years as a mechanism to acknowledge long term employees. The City would benefit from re-introducing the longevity program, with a more substantive amount, but only paid once every five (5) years, with no proration. An example of a modified longevity program for the City is as follows:

Table 11: Alternative Longevity Program Option

Years of Service	Longevity Payment
10	\$ 500.00
15	\$ 2,500.00
20	\$ 5,500.00
25	\$ 8,500.00
30	\$12,500.00

Payout Provisions

In terms of payouts, the City’s non-union payout provision is in the form of cash (for vacation hours only) or the City has a sick leave conversion formula to credit \$60 for each sick day, to a maximum value of \$7,200 for qualified retirements under the Wisconsin Retirement

System for the purposes of paying health premiums for the City's health plan, the COBRA. Up to 50% of the premium can be used from the sick leave conversion each month until funds are depleted. The City does not have a retiree plan. These options are rather limiting for the retiree, as their options are either considered taxable to the employee (cash for vacation hours) and the City pays related employment taxes on these amounts, or their only health plan option is the City's plan until the funds are exhausted.

The City could consider enhancing the payout provisions in a way that will assist employees with their future healthcare needs since the main reason employees choose not to retire is that they financially are not able to or cannot afford to continue healthcare coverage. These payouts could be developed to create a post-employment medical trust for the employee in which deposits are tax-free for both the employee and employer, are not considered income to the employee, and are to be used for medical expenses by the employee/qualified beneficiaries. This account is then portable, which allows the employee to use the account for a plan other than the City's.

Retirement Contributions

In addition to the mandatory Wisconsin Retirement System (WRS), the City currently offers a Deferred Compensation 457(b) voluntary retirement option for employees to enhance their financial portfolio based on their own contributions. Although the City contributes the State-mandated employer contribution for WRS, the State has started to see an offer to match contributions by flat amounts or nominal percentages to employee contributions into their 457(b) accounts, which is a recruitment and retention tool. One comparable entity reported providing an employer match.

Tuition Reimbursement

A Tuition Reimbursement program supports employees' professional development and educational advancement. Through this benefit, employees are typically provided with financial assistance to pursue further education or professional certifications. Tuition Reimbursement programs often contain employee and coursework eligibility requirements, in addition to annual and career maximum limits. The City's current tuition reimbursement program is 25% of the tuition, not to exceed \$500 per year. The comparable market reported 50% up to \$1,000.

Other Total Reward Opportunities

Today's employees are looking at the "big picture" when assessing where they want to work. Often, it extends beyond the traditional areas of compensation and benefits. A Total Rewards model takes into account the fluidity of the relationship between compensation, benefits, work-life effectiveness, recognition, performance management, and talent development.

Well-being, or work/life effectiveness comes from a specific set of organizational practices, policies and programs plus a philosophy that actively supports efforts to help employees achieve success both at work and at home. This philosophy recognizes every worker’s need to be appreciated as a contributor to the organization’s success. Productivity is enhanced when the organization supports employees in their efforts to manage both work and personal responsibilities. This supportive environment leads to an improved ability to attract, motivate, engage and retain members of the workforce. The major areas to consider are how the City can support health and wellness, diversity, equity, workplace flexibility, dependent care, financial support programs, community involvement programs, and culture change initiatives.

The following are considerations to enhance the City’s current Total Rewards program to support employees at different phases of their life. The feasibility of the options must be analyzed by the City as a whole and are not necessarily recommendations.

Paid Parental and Elder Care Leave

Paid leave for employees who are new parents or will become parents is becoming a more common benefit that is also growing to include employees who need support in other facets of life including providing care and support to aging parents. These paid benefits are not required in Wisconsin; however, some communities are adding this as a benefit and other states have adopted mandatory benefits of this nature, which is gaining support nationwide. Offering a paid leave benefit aligned to Family Medical Leave qualifying events for a duration of between 2-6 weeks should be considered by the City. One comparable organization reported offering this program.

Volunteering Time Off

Volunteer time-off is a paid leave system that allows employees to donate their time to local nonprofit organizations. Volunteer leave policies make an organization appealing to potential and existing employees who have a strong desire to give back to their community. In addition, this type of program allows employers to give back to their communities and nonprofits. Volunteer leave is when workers devote their leave period to charitable or community service activities. Some employers give their employees the freedom to choose where they want to spend their volunteer leave time, while others limit it to pre-approved locations. Volunteer time-off is typically up to one (1) day per year. It is understood the City allows time off for volunteering, but there is no written policy. The City should memorialize this as an official benefit offering.

Childcare is one of the most expensive household expenses, and often is a barrier to employment for that reason. To address this issue, some communities work with local childcare facilities to negotiate discounted rates for municipal employees working within the community. Offering a childcare discount can increase employee satisfaction and engagement and can be a major recruitment tool. The City could consider a percentage, flat rate, or scholarship program to subsidize this expense. Although this was not a benefit found in the comparable market, this is a benefit some employers are considering on a national level as a means to reduce this potential ‘barrier’ for employees.

Long Term Care Insurance

Long-term care (LTC) is different from traditional medical care. Long-term care goes beyond medical treatment and nursing care to helping people cope in the face of a chronic illness or disability. Long-term care provides support in performing everyday tasks. People need long-term care for a number of reasons, but often it is simply for the process of getting older. Long-term care services are typically needed by individuals unable to perform activities of daily living or who become cognitively impaired. As the City’s workforce matures, there is a greater need for long-term care services which can be a significant financial burden without proper insurance coverage. Because this is a critical component to retirement planning, more employers nationally are offering LTC insurance programs and education.

529 College Savings Plan

A 529 plan is a tax-advantaged savings plan designed to help families save for college and a range of other qualified education expenses which is outlined in Section 529 of the Internal Revenue Code. This is a voluntary benefit option for the City to include in its benefits portfolio, while the preferred vendor works directly with the employee for enrollment and fund management.

Adoption Assistance

Adoption assistance programs provide financial assistance or reimburse families for expenses related to the adoption of a child. This is a way to enhance employee recruitment and retention by showing commitment to not only employee health and wellness, but their family life. Including this with the City’s Cafeteria Plan for pre-tax expenses is an additional option.

Ancillary Offerings

Items such as pet insurance, credit and ID theft monitoring, financial counseling services, are also ancillary offerings that can be made available to employees at a low cost, and can be impactful.

Lifestyle Saving Account

A Lifestyle Savings Account (LSA) offers employers an opportunity to help fund health and wellness costs that a traditional group health plan won't cover. The employer determines what expenses are eligible for reimbursement through an LSA. Here are a few examples of common spending opportunities through LSAs:

- Gym memberships
- Nutritional supplements
- Fitness equipment
- Groceries
- Daycare
- Athletic clothes
- Life coaching
- Continuing education courses
- Sports Equipment

This is considered a taxable income benefit.

Future Opportunities

During the Study, the Consultants noted organizational opportunities for the City's consideration. These recommendations are not tied to the compensation recommendations in the Report; but are viewed as prospects to facilitate efficiencies. These recommendations are simply provided for the City's consideration based on an objective third-party view.

Centralized Internal Services

The City has many needs, and while it is difficult to prioritize those needs, the organization must have stable internal services of HR, Finance, IT, and Legal in order to effectively support City departments in their operations, in addition to the governing body. For example, the median HR to employee ratio is 1.4 HR staff to 100 employees served. This ratio, however, may fluctuate based upon standardized processes, software capabilities, and outsourcing various HR functions. It must be stressed that HR functions across organizations differ in terms of centralized/decentralized recruitment processes, involvement with payroll,

workers compensation, training, labor relations, etc. The City currently has an estimated 200 employees with just over 1.0 FTE. The current HR to employee ratio is not a manageable ratio. Similar estimates could be made with Information Technology. These internal services are likely at capacity with the current staffing/organizational structure. How internal services are provided and what their needs are to better support the operational departments of the City should be a future item of discussion.

Appendix A: Recommended Salary Schedule

PAY GRADE	TITLE	DEPT	A	B	C	D	E	F	G	H	I	J	K
5			\$14.51	\$14.87	\$15.24	\$15.62	\$16.01	\$16.41	\$16.82	\$17.24	\$17.67	\$18.11	\$18.56
			\$30,180.80	\$30,929.60	\$31,699.20	\$32,489.60	\$33,300.80	\$34,127.78	\$34,985.60	\$35,859.20	\$36,753.60	\$37,668.80	\$38,604.80
10			\$15.51	\$15.90	\$16.30	\$16.71	\$17.13	\$17.56	\$18.00	\$18.45	\$18.91	\$19.38	\$19.86
			\$32,260.80	\$33,072.00	\$33,904.00	\$34,756.80	\$35,630.40	\$36,516.73	\$37,440.00	\$38,376.00	\$39,332.80	\$40,310.40	\$41,308.80
	Production Assistant	Media Productions											
15			\$16.60	\$17.01	\$17.44	\$17.88	\$18.33	\$18.79	\$19.25	\$19.73	\$20.22	\$20.73	\$21.25
			\$34,528.00	\$35,380.80	\$36,275.20	\$37,190.40	\$38,126.40	\$39,072.90	\$40,040.00	\$41,038.40	\$42,057.60	\$43,118.40	\$44,200.00
100			\$17.76	\$18.20	\$18.66	\$19.13	\$19.61	\$20.10	\$20.60	\$21.12	\$21.65	\$22.19	\$22.74
			\$36,940.80	\$37,856.00	\$38,812.80	\$39,790.40	\$40,788.80	\$41,808.00	\$42,848.00	\$43,929.60	\$45,032.00	\$46,155.20	\$47,299.20
	Customer Service Associate	Rec Admin											
	Custodian/Maintenance Assistant	Library											
105			\$19.01	\$19.49	\$19.98	\$20.48	\$20.99	\$21.51	\$22.05	\$22.60	\$23.17	\$23.75	\$24.34
			\$39,540.80	\$40,539.20	\$41,558.40	\$42,598.40	\$43,659.20	\$44,740.80	\$45,864.00	\$47,008.00	\$48,193.60	\$49,400.00	\$50,627.20
	Library Assistant	Library											
110			\$20.35	\$20.86	\$21.38	\$21.91	\$22.46	\$23.02	\$23.60	\$24.19	\$24.79	\$25.41	\$26.05
			\$42,328.00	\$43,388.80	\$44,470.40	\$45,572.80	\$46,716.80	\$47,881.60	\$49,088.00	\$50,315.20	\$51,563.20	\$52,852.80	\$54,184.00
	Library Specialist	Library											
	Tech Services Specialist	Library											
	Administrative Assistant I	Multiple											
115			\$21.77	\$22.31	\$22.87	\$23.44	\$24.03	\$24.63	\$25.25	\$25.88	\$26.53	\$27.19	\$27.87
			\$45,281.60	\$46,404.80	\$47,569.60	\$48,755.20	\$49,982.40	\$51,230.40	\$52,520.00	\$53,830.40	\$55,182.40	\$56,555.20	\$57,969.60
120			\$23.29	\$23.87	\$24.47	\$25.08	\$25.71	\$26.35	\$27.01	\$27.69	\$28.38	\$29.09	\$29.82
			\$48,443.20	\$49,649.60	\$50,897.60	\$52,166.40	\$53,476.80	\$54,808.00	\$56,180.80	\$57,595.20	\$59,030.40	\$60,507.20	\$62,025.60
	Facilities Maintenance Worker	Multiple											
	Parks Maintenance Worker	Park											
	Streets Maintenance Worker	Street											
	Utility Billing Specialist	Water											
	ADMINISTRATIVE ASSISTANT II	Multiple											
125			\$24.92	\$25.54	\$26.18	\$26.83	\$27.50	\$28.19	\$28.89	\$29.61	\$30.35	\$31.11	\$31.89
			\$51,833.60	\$53,123.20	\$54,454.40	\$55,806.40	\$57,200.00	\$58,635.20	\$60,091.20	\$61,588.80	\$63,128.00	\$64,708.80	\$66,331.20
	Human Resources Assistant	Administration											
	Court Clerk	Municipal Court											
	Legal Assistant	City Attorney											
	Fiscal Specialist	Finance											
	Office/Program Coordinator	Health											
	Administrative Assistant III	Multiple											
	Records Specialist	Police											
	Investigations Specialist	Police											
	Business Office Coordinator	Fire											
130			\$26.65	\$27.32	\$28.00	\$28.70	\$29.42	\$30.16	\$30.91	\$31.68	\$32.47	\$33.28	\$34.11
			\$55,432.00	\$56,825.60	\$58,240.00	\$59,696.00	\$61,193.60	\$62,732.80	\$64,292.80	\$65,894.40	\$67,537.60	\$69,222.40	\$70,948.80
	Parks Maintenance Technician	Park											
	911 Dispatcher	Police											
	Community Service Officer	Police											
	Streets Maintenance Technician	Street											
	Solid Waste Technician	Solid Waste											
	Utility Billing Coordinator	Water/Wastewater											
	Utilities Technician I	Water/Wastewater											
	Water Operator in Training	Water/Wastewater											
	Wastewater Operator in Training	Water/Wastewater											
135			\$28.52	\$29.23	\$29.96	\$30.71	\$31.48	\$32.27	\$33.08	\$33.91	\$34.76	\$35.63	\$36.52
			\$59,321.60	\$60,798.40	\$62,316.80	\$63,876.80	\$65,478.40	\$67,121.60	\$68,806.40	\$70,532.80	\$72,300.80	\$74,110.40	\$75,961.60
	Code Enforcement Officer	Building Inspection											
	Paralegal	City Attorney											
	Fire Inspector I	Fire											
	Arborist	Forestry											
	Public Health Technician/LPN	Health											
	Circulation Manager	Library											

	Media Production Coordinator Parks Maintenance Crew Leader Recreation Coordinator - Special Events Heavy Equipment Operator Mechanic I Utilities Technician II Water Operator 1 Wastewater Operator (B)	Media Productions Park Rec Admin Street Street Water/Wastewater Water/Wastewater Water/Wastewater											
140			\$30.53	\$31.29	\$32.07	\$32.87	\$33.69	\$34.53	\$35.39	\$36.27	\$37.18	\$38.11	\$39.06
			\$63,502.40	\$65,083.20	\$66,705.60	\$68,369.60	\$70,075.20	\$71,822.40	\$73,611.20	\$75,441.60	\$77,334.40	\$79,268.80	\$81,244.80
	Deputy Treasurer/Clerk Bilingual Communication Specialist Children's Librarian Adult Services Librarian Senior Center Enrichment & Office Manager Recreation Manager - League (Adult & Youth) Recreation Manager - Aquatics Mechanic II PW Foreman Utilities Technician III Water/Wastewater Operator	Finance Health Library Library Rec Admin Rec Admin Rec Admin Street Street Water/Wastewater Water/Wastewater											
145			\$32.65	\$33.47	\$34.31	\$35.17	\$36.05	\$36.95	\$37.87	\$38.82	\$39.79	\$40.78	\$41.80
			\$67,912.00	\$69,617.60	\$71,364.80	\$73,153.60	\$74,984.00	\$76,856.00	\$78,769.60	\$80,745.60	\$82,763.20	\$84,822.40	\$86,944.00
	Building Inspector I Fire Inspector II Environmental Health Sanitarian I Registered Nurse Media and Communications Director Utilities Foreman	Building Inspection Fire Health Health Media Productions Water/Wastewater											
150			\$34.95	\$35.82	\$36.72	\$37.64	\$38.58	\$39.54	\$40.53	\$41.54	\$42.58	\$43.64	\$44.73
			\$72,696.00	\$74,505.60	\$76,377.60	\$78,291.20	\$80,246.40	\$82,243.20	\$84,302.40	\$86,403.20	\$88,566.40	\$90,771.20	\$93,038.40
	Building Inspector II Civil Engineer I City Forester Environmental Health Sanitarian II Public Health Nurse Environmental Health Sanitarian/Preparedness Coordinator Construction Project Manager W/WW Maintenance Foreman Lab Coordinator	Building Inspection Engineering/Planning Forestry Health Health Health Street Water/Wastewater Water/Wastewater											
155			\$37.40	\$38.33	\$39.29	\$40.27	\$41.28	\$42.31	\$43.37	\$44.45	\$45.56	\$46.70	\$47.87
			\$77,792.00	\$79,726.40	\$81,723.20	\$83,761.60	\$85,862.40	\$88,004.80	\$90,209.60	\$92,456.00	\$94,764.80	\$97,136.00	\$99,569.60
	Human Resources Coordinator IT Coordinator Engineering Project Manager Engineering Project Manager/Grants Coordinator City Clerk 911 Dispatch Manager	Administration Administration Engineering/Planning Engineering/Planning Finance Police											
160			\$40.01	\$41.01	\$42.04	\$43.09	\$44.17	\$45.27	\$46.40	\$47.56	\$48.75	\$49.97	\$51.22
			\$83,220.80	\$85,300.80	\$87,443.20	\$89,627.20	\$91,873.60	\$94,161.60	\$96,512.00	\$98,924.80	\$101,400.00	\$103,937.60	\$106,537.60
	Building Inspector III Civil Engineer II Parks Manager Police Sergeant Assistant Streets Manager	Building Inspection Engineering/Planning Park Police Street	\$40.54	\$41.55	\$42.59	\$43.66	\$44.75	\$45.87	\$47.01	\$48.19	\$49.39	\$50.63	\$51.89
165			\$42.82	\$43.89	\$44.99	\$46.11	\$47.26	\$48.44	\$49.65	\$50.89	\$52.16	\$53.46	\$54.80
			\$89,065.60	\$91,291.20	\$93,579.20	\$95,908.80	\$98,300.80	\$100,755.20	\$103,272.00	\$105,851.20	\$108,492.80	\$111,196.80	\$113,984.00
	Economic Development Manager & Strategic Initiatives Planning & Zoning Manager Battalion Chief Assistant Health Director	Administration Building Inspection Fire Health	\$30.59	\$31.35	\$32.14	\$32.94	\$33.76	\$34.60	\$35.46	\$36.35	\$37.26	\$38.19	\$39.14

170	Public Works Manager	Street											
	Assistant Water/Wastewater Manager	Water/Wastewater	\$47.08	\$48.26	\$49.47	\$50.71	\$51.98	\$53.28	\$54.61	\$55.98	\$57.38	\$58.81	\$60.28
			\$97,926.40	\$100,380.80	\$102,897.60	\$105,476.80	\$108,118.40	\$110,822.40	\$113,588.80	\$116,438.40	\$119,350.40	\$122,324.80	\$125,382.40
175	Library Director	Library											
	Police Captain	Police											
	Park, Recreation, & Forestry Director	Rec Admin											
180	Water/Wastewater Utilities Manager	Water/Wastewater	\$51.80	\$53.10	\$54.43	\$55.79	\$57.18	\$58.61	\$60.08	\$61.58	\$63.12	\$64.70	\$66.32
			\$107,744.00	\$110,448.00	\$113,214.40	\$116,043.20	\$118,934.40	\$121,908.80	\$124,966.40	\$128,086.40	\$131,289.60	\$134,576.00	\$137,945.60
185	Deputy Fire Chief	Fire											
	Public Health Officer	Health											
190	Assistant Police Chief	Police	\$56.99	\$58.41	\$59.87	\$61.37	\$62.90	\$64.47	\$66.08	\$67.73	\$69.42	\$71.16	\$72.94
			\$118,539.20	\$121,492.80	\$124,529.60	\$127,649.60	\$130,832.00	\$134,097.60	\$137,446.40	\$140,878.40	\$144,393.60	\$148,012.80	\$151,715.20
195	Public Works Director	Engineering/Planning											
	Finance Director/Treasurer	Finance											
200	Police Chief	Police											
	Fire Chief/Emergency Operations	Fire	\$62.67	\$64.24	\$65.85	\$67.50	\$69.19	\$70.92	\$72.69	\$74.51	\$76.37	\$78.28	\$80.24
			\$130,353.60	\$133,619.20	\$136,968.00	\$140,400.00	\$143,915.20	\$147,513.60	\$151,195.20	\$154,980.80	\$158,849.60	\$162,822.40	\$166,899.20
	City Attorney	City Attorney											

CITY OF WATERTOWN

PAY TABLE EFFECTIVE: 1/1/2025 - HOURLY FORMAT (2080 HOURS)

1.50% COLA increase from 2024

Grade	Control Point										
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11
Y	\$67.51	\$69.44	\$71.37	\$73.30	\$75.22	\$77.15	\$79.08	\$81.01	\$82.94	\$84.87	\$86.80
X	\$63.47	\$65.28	\$67.10	\$68.91	\$70.72	\$72.54	\$74.35	\$76.17	\$77.98	\$79.79	\$81.61
W	\$59.44	\$61.14	\$62.84	\$64.54	\$66.23	\$67.93	\$69.63	\$71.33	\$73.03	\$74.73	\$76.42
V	\$55.41	\$57.00	\$58.58	\$60.16	\$61.74	\$63.33	\$64.91	\$66.49	\$68.08	\$69.66	\$71.24
U	\$51.38	\$52.85	\$54.32	\$55.79	\$57.25	\$58.72	\$60.19	\$61.66	\$63.13	\$64.60	\$66.06
T	\$48.35	\$49.74	\$51.12	\$52.50	\$53.88	\$55.26	\$56.64	\$58.02	\$59.41	\$60.79	\$62.17
S	\$46.34	\$47.67	\$48.99	\$50.32	\$51.64	\$52.96	\$54.29	\$55.61	\$56.94	\$58.26	\$59.58
R	\$44.33	\$45.60	\$46.87	\$48.13	\$49.40	\$50.67	\$51.93	\$53.20	\$54.47	\$55.73	\$57.00
Q	\$42.30	\$43.51	\$44.72	\$45.93	\$47.14	\$48.35	\$49.56	\$50.77	\$51.97	\$53.18	\$54.39
P	\$40.29	\$41.45	\$42.60	\$43.75	\$44.90	\$46.05	\$47.20	\$48.35	\$49.50	\$50.66	\$51.81
O	\$38.28	\$39.38	\$40.47	\$41.57	\$42.66	\$43.75	\$44.85	\$45.94	\$47.04	\$48.13	\$49.22
N	\$36.26	\$37.29	\$38.33	\$39.36	\$40.40	\$41.44	\$42.47	\$43.51	\$44.54	\$45.58	\$46.62
N (2912 Hrs) Battalion Chief	\$25.90	\$26.64	\$27.38	\$28.12	\$28.86	\$29.60	\$30.34	\$31.08	\$31.82	\$32.56	\$33.30
M	\$34.25	\$35.22	\$36.20	\$37.18	\$38.16	\$39.14	\$40.12	\$41.10	\$42.07	\$43.05	\$44.03
M (2053 Hrs) Sgt	\$34.70	\$35.69	\$36.68	\$37.67	\$38.66	\$39.65	\$40.64	\$41.64	\$42.63	\$43.62	\$44.61
L	\$32.24	\$33.16	\$34.08	\$35.00	\$35.92	\$36.84	\$37.76	\$38.68	\$39.60	\$40.52	\$41.45
K	\$30.23	\$31.09	\$31.95	\$32.82	\$33.68	\$34.54	\$35.41	\$36.27	\$37.13	\$38.00	\$38.86
J	\$28.20	\$29.00	\$29.81	\$30.61	\$31.42	\$32.23	\$33.03	\$33.84	\$34.64	\$35.45	\$36.25
I	\$26.19	\$26.94	\$27.68	\$28.43	\$29.18	\$29.93	\$30.68	\$31.42	\$32.17	\$32.92	\$33.67
H	\$24.18	\$24.87	\$25.56	\$26.25	\$26.94	\$27.63	\$28.32	\$29.01	\$29.70	\$30.39	\$31.08
G	\$22.16	\$22.79	\$23.42	\$24.06	\$24.69	\$25.32	\$25.96	\$26.59	\$27.22	\$27.86	\$28.49
F	\$20.14	\$20.71	\$21.29	\$21.86	\$22.44	\$23.02	\$23.59	\$24.17	\$24.74	\$25.32	\$25.89
E	\$18.63	\$19.17	\$19.70	\$20.23	\$20.76	\$21.29	\$21.83	\$22.36	\$22.89	\$23.42	\$23.96
D	\$17.62	\$18.13	\$18.63	\$19.13	\$19.64	\$20.14	\$20.64	\$21.15	\$21.65	\$22.15	\$22.66
C	\$16.61	\$17.09	\$17.56	\$18.04	\$18.51	\$18.99	\$19.46	\$19.94	\$20.41	\$20.89	\$21.36
B	\$15.61	\$16.06	\$16.51	\$16.95	\$17.40	\$17.84	\$18.29	\$18.74	\$19.18	\$19.63	\$20.07
A	\$10.07	\$10.36	\$10.64	\$10.93	\$11.22	\$11.51	\$11.80	\$12.08	\$12.37	\$12.66	\$12.95

PAYROLL RESOLUTION

SPONSOR: MAYOR MCFARLAND
FROM: FINANCE COMMITTEE

A resolution adjusting the annual salary or hourly rates to be paid the following city officials, supervisory, and non-union personnel of the City of Watertown, Wisconsin.

The Common Council of the City of Watertown, Wisconsin, do ordain as follows:

SECTION 1: Effective January 1, 2025, all full-time and permanent part-time non-represented employees shall receive compensation based on the appropriate step and grade of the attached pay chart for dates effective January 1, 2025.

SECTION 2: The Mayor may modify the attached pay chart to include any new positions budgeted for and approved by the Common Council at a grade consistent with the budgeted amount or to change a job title, provided the grade does not change.

SECTION 3: The following part-time employees shall receive, effective January 1, 2025:

	<u>Jan. 1</u>
Police Auxiliary	\$15.76
Police Auxiliary Capt. – additional per hour	.50
Police Auxiliary Sgt. – additional per hour	.25
Crossing Guard	11.25
Election Inspector	10.00
Chief Election Inspector	12.00
Election Assistant	15.00
Cable TV PT Staffer	12.50
Engineering Intern (HS)	10.00-14.00
Engineering Intern (College)	14.00-19.00
PT Sr. Center Office Aid	12.00

SECTION 4: Only full-time employees previously eligible for longevity as of December 31, 2011, are eligible for longevity, and shall receive, in addition to their salary, the following annual amounts:

After 8 years of continuous service	\$175.50
After 12 years of continuous service	\$351.00
After 16 years of continuous service	\$526.50

SECTION 5: The City will contribute toward health insurance the following amounts for those employees who elect to receive it: Full-time single: \$780.00 (88%); Full-time family: \$1,920.00 (88%); Benefit eligible permanent part-time employees enrolled in WRS: 25 – 50% of the contracted plan dependent on the anticipated hours worked.

SECTION 6: The City will contribute toward dental insurance the following amounts for those employees who elect to receive it: Full-time single: \$3.32 monthly (90%), Full-time family: \$10.22 (90%)monthly.

SECTION 7: LIBRARY. Hourly rates and salaries paid to personnel employed by the Library shall be set by the Library Board.

SECTION 8: RECREATION DEPARTMENT. Hourly rates and contract amounts will be established by the Park, Recreation and Forestry Commission with the exception of seasonal maintenance employees, subject to council approval.

SECTION 9: STREET, PARK, FORESTRY AND WATER/WASTEWATER SEASONAL EMPLOYEES. Each person employed as a part-time seasonal maintenance employee shall be paid \$15.00 per hour plus an additional \$1.00 per year worked. Each person employed as a part-time seasonal office employee in these departments shall be paid \$11.00 per hour.

SECTION 10: All unionized City employees shall be compensated according to the appropriate union contracts.

SECTION 11: Non-union paramedics will receive the paramedic add-on pay as listed in the union contract.

SECTION 12: Unless specified differently in a section, this resolution shall take effect January 1, 2025.

CITY OF WATERTOWN

PAY TABLE EFFECTIVE: 1/1/2025 - HOURLY FORMAT (2080 HOURS)

1.50% COLA increase from 2024

Grade	Control Point										
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11
Y	\$67.51	\$69.44	\$71.37	\$73.30	\$75.22	\$77.15	\$79.08	\$81.01	\$82.94	\$84.87	\$86.80
X	\$63.47	\$65.28	\$67.10	\$68.91	\$70.72	\$72.54	\$74.35	\$76.17	\$77.98	\$79.79	\$81.61
W	\$59.44	\$61.14	\$62.84	\$64.54	\$66.23	\$67.93	\$69.63	\$71.33	\$73.03	\$74.73	\$76.42
V	\$55.41	\$57.00	\$58.58	\$60.16	\$61.74	\$63.33	\$64.91	\$66.49	\$68.08	\$69.66	\$71.24
U	\$51.38	\$52.85	\$54.32	\$55.79	\$57.25	\$58.72	\$60.19	\$61.66	\$63.13	\$64.60	\$66.06
T	\$48.35	\$49.74	\$51.12	\$52.50	\$53.88	\$55.26	\$56.64	\$58.02	\$59.41	\$60.79	\$62.17
S	\$46.34	\$47.67	\$48.99	\$50.32	\$51.64	\$52.96	\$54.29	\$55.61	\$56.94	\$58.26	\$59.58
R	\$44.33	\$45.60	\$46.87	\$48.13	\$49.40	\$50.67	\$51.93	\$53.20	\$54.47	\$55.73	\$57.00
Q	\$42.30	\$43.51	\$44.72	\$45.93	\$47.14	\$48.35	\$49.56	\$50.77	\$51.97	\$53.18	\$54.39
P	\$40.29	\$41.45	\$42.60	\$43.75	\$44.90	\$46.05	\$47.20	\$48.35	\$49.50	\$50.66	\$51.81
O	\$38.28	\$39.38	\$40.47	\$41.57	\$42.66	\$43.75	\$44.85	\$45.94	\$47.04	\$48.13	\$49.22
N	\$36.26	\$37.29	\$38.33	\$39.36	\$40.40	\$41.44	\$42.47	\$43.51	\$44.54	\$45.58	\$46.62
N (2912 Hrs) Battalion Chief	\$25.90	\$26.64	\$27.38	\$28.12	\$28.86	\$29.60	\$30.34	\$31.08	\$31.82	\$32.56	\$33.30
M	\$34.25	\$35.22	\$36.20	\$37.18	\$38.16	\$39.14	\$40.12	\$41.10	\$42.07	\$43.05	\$44.03
M (2053 Hrs) Sgt	\$34.70	\$35.69	\$36.68	\$37.67	\$38.66	\$39.65	\$40.64	\$41.64	\$42.63	\$43.62	\$44.61
L	\$32.24	\$33.16	\$34.08	\$35.00	\$35.92	\$36.84	\$37.76	\$38.68	\$39.60	\$40.52	\$41.45
K	\$30.23	\$31.09	\$31.95	\$32.82	\$33.68	\$34.54	\$35.41	\$36.27	\$37.13	\$38.00	\$38.86
J	\$28.20	\$29.00	\$29.81	\$30.61	\$31.42	\$32.23	\$33.03	\$33.84	\$34.64	\$35.45	\$36.25
I	\$26.19	\$26.94	\$27.68	\$28.43	\$29.18	\$29.93	\$30.68	\$31.42	\$32.17	\$32.92	\$33.67
H	\$24.18	\$24.87	\$25.56	\$26.25	\$26.94	\$27.63	\$28.32	\$29.01	\$29.70	\$30.39	\$31.08
G	\$22.16	\$22.79	\$23.42	\$24.06	\$24.69	\$25.32	\$25.96	\$26.59	\$27.22	\$27.86	\$28.49
F	\$20.14	\$20.71	\$21.29	\$21.86	\$22.44	\$23.02	\$23.59	\$24.17	\$24.74	\$25.32	\$25.89
E	\$18.63	\$19.17	\$19.70	\$20.23	\$20.76	\$21.29	\$21.83	\$22.36	\$22.89	\$23.42	\$23.96
D	\$17.62	\$18.13	\$18.63	\$19.13	\$19.64	\$20.14	\$20.64	\$21.15	\$21.65	\$22.15	\$22.66
C	\$16.61	\$17.09	\$17.56	\$18.04	\$18.51	\$18.99	\$19.46	\$19.94	\$20.41	\$20.89	\$21.36
B	\$15.61	\$16.06	\$16.51	\$16.95	\$17.40	\$17.84	\$18.29	\$18.74	\$19.18	\$19.63	\$20.07
A	\$10.07	\$10.36	\$10.64	\$10.93	\$11.22	\$11.51	\$11.80	\$12.08	\$12.37	\$12.66	\$12.95

CITY OF WATERTOWN	
GRADE ORDER LIST	
GRADE	JOB TITLE
T	CITY ATTORNEY
T	DIRECTOR OF PUBLIC WORKS/CITY ENGINEER
T	CHIEF OF FIRE/EMERGENECY OPERATIONS
T	POLICE CHIEF
S	WATER/WASTEWATER UTILITIES MANAGER
S	FINANCE DIRECTOR
R	PUBLIC HEALTH OFFICER
R	OPERATIONS MANAGER
Q	DEPUTY CHIEF-FD
Q	ASSISTANT POLICE CHIEF
Q	ASSISTANT CITY ENGINEER
P	POLICE CAPTAIN
P	LIBRARY DIRECTOR
O	RECREATION AND PARKS DIRECTOR
O	WATER/WASTEWATER UTILITIES ASSISTANT MANAGER
N	BATTALION CHIEF SHIFT COMMANDER
N	ENGINEERING PROJECT MANAGER
N	ZONING ADMINISTRATOR
N	STORMWATER PROJECT MANAGER/GRANT WRITER
N	WATER SYSTEMS MAINTENANCE AND FACILITIES FOREMAN
N	BUILDING INSPECTOR III
N	PARKS SUPERVISOR
M	BUILDING INSPECTOR II
M	PUBLIC WORKS PROJECT MANAGER
M	CIVIL STAFF ENGINEER
M	ASSISTANT OPERATIONS MANAGER
M	PUBLIC HEALTH ASSISTANT DIRECTOR
M	POLICE SERGEANT
M	CLERK
M	LAB MANAGER
M	MANAGER OF ECONOMIC DEVELOPMENT AND STRATEGIC INITIATIVES

M	HUMAN RESOURCES COORDINATOR
M	INFORMATION TECHNOLOGY COORDINATOR
L	BUILDING INSPECTOR I
L	BUILDING INSPECTOR (PT)
L	SR. CENTER AND ENRICHMENT DIRECTOR/OFFICE MANAGER
L	DISTRIBUTION CREW LEADER
K	ENVIRO HEALTH SANITARIAN (CERTIFIED)
K	EMERGENCY PREP/ENVIRO HEALTH SPECIALIST
K	PUBLIC HEALTH NURSE - RN
K	BILINGUAL COMMUNICATIONS SPECIALIST (PT)
K	DEPUTY TREASURER/CLERK
K	AQUATICS AND RECREATION MANAGER
K	PROGRAMMING EVENT COORDINATOR
K	WASTEWATER COLLECTIONS CREW LEADER
K	WASTEWATER OPERATIONS FOREMAN
K	WATER OPERATIONS FOREMAN
K	911 DISPATCH SUPERVISOR
K	MEDIA AND COMMUNICATIONS DIRECTOR
K	ADULT SERVICES LIBRARIAN
K	CHILDREN'S LIBRARIAN
J	PT CODE ENFORCEMENT
J	ENVIRO HEALTH SANITARIAN (NON-CERTIFIED)
J	CITY FORESTER/BUCKET TRUCK OPERATOR
J	WATER SYSTEMS OPERATOR
J	WATER DISTRIBUTION TECHNICIAN
J	CIRCULATION SERVICES MANAGER
J	RECREATION PROGRAM MANAGER
J	STREET/STORMWATER WORKING FOREMAN
I	HEAVY EQUIPMENT OPERATOR
I	MECHANIC
I	911 DISPATCHER
I	911 DISPATCHER(PT)
H	PARALEGAL
H	HUMAN RESOURCES ASSISTANT (PT)
H	FIRE INSPECTOR (PT)
H	NURSE - LPN
H	ASSISTANT CITY FORESTER
H	MECHANIC/PARKS MAINTENANCE/POOL OPERATOR
H	PARKS SPECIALIZED MAINTENANCE

H	SPECIALIZED MAINTENANCE/LIGHT EQUIPMENT OPERATOR
H	SOLID WASTE COLLECTION - LEADMAN
H	OFFICE/PROGRAM COORDINATOR
H	UTILITY BILLING COORDINATOR
H	WASTEWATER COLLECTIONS SPECIALIST
H	MEDIA PRODUCTIONS MANAGER
H	ACCOUNTING CLERK
H	ADMINISTRATIVE ASSISTANT III
G	COURT CLERK (MUNICIPAL)
G	COMMUNITY SERVICES OFFICER
G	GENERAL LABORER-STREETS
G	SOLID WASTE COLLECTION
G	INVESTIGATIONS SPECIALIST
G	RECORDS CLERK (POLICE)
G	ASSISTANT BILLING/UTILITY CLERK
G	WATER UTILITY TECHNICIAN
G	ADMINISTRATIVE ASSISTANT II
F	GENERAL LABORER-PARK RECREATION AND FORESTRY
F	MAINTENANCE CUSTODIAN
F	BUILDING AND GROUNDS MAINTENANCE SUPERVISOR/WASTEWATER RELIEF OPERATOR
F	LEGAL ASSISTANT (PT)
F	ADMINISTRATIVE ASSISTANT I
F	SENIOR LIBRARY ASSISTANT-CATALOGING & CIRCULATION
F	SENIOR LIBRARY ASSISTANT-TEEN SERVICES
C	LIBRARY ASSISTANT (PT)
C	CLERK/TYPIST
C	CUSTODIAN-PT