

PERSONNEL COMMITTEE AGENDA  
Monday, February 8, 2016 – 6:20 p.m.  
Or immediately following previously scheduled meeting  
Lincoln Center – 1519 Water Street  
[A quorum of the City Council may attend this meeting]

Presentation and Discussion on:

1. City of Stevens Point Employee Pay Plan / Merit Pay Policy.
2. Adjournment.

Any person who has special needs while attending this meeting or needs agenda materials for this meeting should contact the City Clerk as soon as possible to ensure a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569, or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

Copies of ordinances, resolutions, reports and minutes of the committee meetings are on file at the office of the City Clerk for inspection during normal business hours from 7:30 a.m. to 4:00 p.m.

February 3, 2016

MEMORANDUM

TO: Personnel Committee Members  
FROM: Lisa Jakusz  
RE: Personnel Committee Packet

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A brief presentation and documents are being provided to familiarize current Alderpersons with the City's pay plan and the process / methodology used in its development.

Due to the size, agenda attachments have been sent electronically to all the Alderpersons and will also be available on the City's website. If you would like a paper copy, please contact the City Clerk's Office at 715 346-1569.

The attachment packet includes:

\*2016 Wage Listing / Pay Plan Matrix (both hourly and annual)

\*List of Comparable Communities Used

\*City of Stevens Point Classification/Compensation Study Policy Review  
(dated September 30, 2013)

\*Job Description Questionnaire Form used in Study

\*Job Evaluation System Utilized

\*City of Stevens Point Classification/Compensation Study Findings &  
Recommendations  
(dated November 11, 2013)

\*Executive Summary  
(dated November 13, 2013)

\*Appeal Process / Documents

Please contact me with any questions or concerns (715 346-1594).

**CITY OF STEVENS POINT  
2016 STEP STRUCTURE - HOURLY FORMAT**

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Pt	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	42.08	43.28	44.48	45.69	46.89	48.09	49.29	50.49	51.70	52.90	54.10
Q	900	949	39.88	41.02	42.16	43.30	44.44	45.58	46.72	47.86	49.00	50.14	51.28
P	850	899	37.68	38.75	39.83	40.91	41.98	43.06	44.14	45.21	46.29	47.37	48.44
O	800	849	35.47	36.49	37.50	38.51	39.53	40.54	41.55	42.57	43.58	44.59	45.61
N	750	799	33.29	34.24	35.19	36.14	37.09	38.04	38.99	39.94	40.89	41.84	42.80
M	700	749	31.09	31.98	32.87	33.75	34.64	35.53	36.42	37.31	38.19	39.08	39.97
L	650	699	28.88	29.71	30.53	31.36	32.18	33.01	33.84	34.66	35.49	36.31	37.14
K	600	649	26.69	27.45	28.21	28.98	29.74	30.50	31.26	32.03	32.79	33.55	34.31
J	550	599	24.49	25.19	25.89	26.59	27.29	27.99	28.69	29.39	30.09	30.79	31.49
I	500	549	22.29	22.92	23.56	24.20	24.83	25.47	26.11	26.74	27.38	28.02	28.65
H	450	499	20.10	20.67	21.25	21.82	22.40	22.97	23.54	24.12	24.69	25.27	25.84
G	400	449	17.90	18.41	18.93	19.44	19.95	20.46	20.97	21.48	21.99	22.51	23.02
F	350	399	15.70	16.15	16.59	17.04	17.49	17.94	18.39	18.84	19.29	19.73	20.18
E	325	349	14.06	14.46	14.86	15.27	15.67	16.07	16.47	16.87	17.28	17.68	18.08
D	300	324	13.02	13.39	13.76	14.14	14.51	14.88	15.25	15.62	16.00	16.37	16.74
C	275	299	12.05	12.39	12.74	13.08	13.43	13.77	14.11	14.46	14.80	15.15	15.49
B	250	274	11.16	11.48	11.79	12.11	12.43	12.75	13.07	13.39	13.71	14.03	14.34

**NOTES:**

This is a symmetrical, 11-step plan with 2.50% steps in relation to the control point (Step 6)

Progression is based on performance at least meeting expectations. Annual steps available at one-year intervals; Steps 7-9 at two-year intervals; and Steps 10-11 at three-year intervals (Step 6-7, 7-8, 8-9 2 yr, Step 9-10, 10-11 3 yr)

CITY OF STEVENS POINT  
2016 STEP STRUCTURE - SALARY FORMAT

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Pt	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	\$87,526	\$90,022	\$92,518	\$95,035	\$97,531	\$100,027	\$102,523	\$105,019	\$107,536	\$110,032	\$112,528
Q	900	949	\$82,950	\$85,322	\$87,693	\$90,064	\$92,435	\$94,806	\$97,178	\$99,549	\$101,920	\$104,291	\$106,662
P	850	899	\$78,374	\$80,600	\$82,846	\$85,093	\$87,318	\$89,565	\$91,811	\$94,037	\$96,283	\$98,530	\$100,755
O	800	849	\$73,778	\$75,899	\$78,000	\$80,101	\$82,222	\$84,323	\$86,424	\$88,546	\$90,646	\$92,747	\$94,869
N	750	799	\$69,243	\$71,219	\$73,195	\$75,171	\$77,147	\$79,123	\$81,099	\$83,075	\$85,051	\$87,027	\$89,024
M	700	749	\$64,667	\$66,518	\$68,370	\$70,200	\$72,051	\$73,902	\$75,754	\$77,605	\$79,435	\$81,286	\$83,138
L	650	699	\$60,070	\$61,797	\$63,502	\$65,229	\$66,934	\$68,661	\$70,387	\$72,093	\$73,819	\$75,525	\$77,251
K	600	649	\$55,515	\$57,096	\$58,677	\$60,278	\$61,859	\$63,440	\$65,021	\$66,622	\$68,203	\$69,784	\$71,365
J	550	599	\$50,939	\$52,395	\$53,851	\$55,307	\$56,763	\$58,219	\$59,675	\$61,131	\$62,587	\$64,043	\$65,499
I	500	549	\$46,363	\$47,674	\$49,005	\$50,336	\$51,646	\$52,978	\$54,309	\$55,619	\$56,950	\$58,282	\$59,592
H	450	499	\$41,808	\$42,994	\$44,200	\$45,386	\$46,592	\$47,778	\$48,963	\$50,170	\$51,355	\$52,562	\$53,747
G	400	449	\$37,232	\$38,293	\$39,374	\$40,435	\$41,496	\$42,557	\$43,618	\$44,678	\$45,739	\$46,821	\$47,882
F	350	399	\$32,656	\$33,592	\$34,507	\$35,443	\$36,379	\$37,315	\$38,251	\$39,187	\$40,123	\$41,038	\$41,974
E	325	349	\$29,245	\$30,077	\$30,909	\$31,762	\$32,594	\$33,426	\$34,258	\$35,090	\$35,942	\$36,774	\$37,606
D	300	324	\$27,082	\$27,851	\$28,621	\$29,411	\$30,181	\$30,950	\$31,720	\$32,490	\$33,280	\$34,050	\$34,819
C	275	299	\$25,064	\$25,771	\$26,499	\$27,206	\$27,934	\$28,642	\$29,349	\$30,077	\$30,784	\$31,512	\$32,219
B	250	274	\$23,213	\$23,878	\$24,523	\$25,189	\$25,854	\$26,520	\$27,186	\$27,851	\$28,517	\$29,182	\$29,827

NOTES:

This is a symmetrical, 11-step plan with 2.50% steps in relation to the control point (Step 6)

Progression is based on performance at least meeting expectations. Annual steps available at one-year intervals; Steps 7-9 at two-year intervals; and Steps 10-11 at three-year intervals (Step 6-7, 7-8, 8-9 2 yr, Step 9-10, 10-11 3 yr)

# 2016 Wages

COLA %.73

Employee Grade	Title	1/1/2016 Wage	Anniversary Date	Step	Hourly Rate	Next Step
"R"	Dir of Public Works	\$95,035	6/18/2012	4		
	Dir Utilities & Transportation	\$95,035	7/3/2012	4		
	Fire Chief	\$95,035	9/26/2011	4		
	Police Chief	\$90,022	12/2/2015	2		
"Q"	Comm Dev Director	\$87,693	1/1/2012	3		
"P"	Dir of Pks, Rec & Forestry	\$85,093	12/16/1986	4		
"O"	Supt'd of Streets	\$80,101	4/1/2007	4		
	Water Dist. Superintendent	\$80,101	11/23/2009	4		
	Wastewater Supt'd	\$80,101	6/30/2014	4		
	Assistant Chief	\$82,222	1/3/2012	5		
	Assistant Chief	\$80,101	12/2/2015	4		
	Assistant Chief	\$82,222	4/5/2012	5		
	Assistant Chief	\$82,222	10/14/2014	5		
"N"	Human Resource Mgr	\$73,195	3/6/1998	3		
"M"	Park & Rec FaC Sup I	\$68,370	1/1/2012	3		
	Transit Manager	\$75,754	8/18/1997	7		2018

"L"

Finance Office Manager	\$63,502	11/1/2001	3		
Sr. Accountant	\$63,502	5/30/2008**	3		
IT Network Admin.	\$31,751	6/2/2009	3	\$30.53	PT 1/6/16
Admin Services Manager	\$63,502	3/17/2014	3		
Conveyance Systems Mgr.	\$65,229	12/3/2007	4		
Ass't Assessor	\$68,661	10/29/2001	6		2018
Bldg Insp/Zoning Admin	\$68,661	5/28/1974	6		2018
Park Main Supv	\$66,934	7/26/2000	5		
Forester	\$68,661	9/18/2000	6		2018
IT Manager	\$61,797	9/28/2015	2		

"K"

Ass't Superintendent of Sts	\$58,677	7/22/2013	3		
Bldg Insp.	\$57,096	6/29/2015	2		
Construction Foreman	\$58,677		3	\$28.21	
Chief Water Operator	\$58,677		3	\$28.21	
Chief Operator	\$58,677		3	\$28.21	
Utilities Maintenance Wkr	\$58,677		3	\$28.21	
Operations Supervisor	\$58,677	11/9/1998	3		
Surveyor	\$58,677	3/20/2014	3		
Plumbing Inspector (1/4 Time)	\$14,274	7/13/2015	2	\$27.45	
Electrical Inspector (1/4 Time)	\$14,669	12/14/2011	3	\$28.21	

"J"

Econ Dev/Assoc Planner	\$53,851	1/30/2012	3		
Admin Ass't Police	\$53,851	1/1/1999	3		
PM/Weekend Sup (75%)	\$40,388	10/25/2004	3		
Late Night Transit Sup (50%)	\$26,926	3/17/20014	3		
Late Night Transit Sup	\$53,851	1/30/2012	3		
Airport Manager	\$53,851	3/14/2011	3		

"I"

Admin Ass't/Paralegal	\$49,005	8/16/2010	3		
Eng Tech III			5	\$24.83	
Eng Tech III			5	\$24.83	
Eng Tech III			6	\$25.47	2017
Community Media Manager	\$54,309	7/21/1998	7		2018
Stock Clerk			5	\$24.83	
Level 2 Parks Maint & Grds			3	\$23.56	
Welder/Fabricator/Mech			5	\$24.83	
Inspection/GIS			5	\$24.83	
Equipment Operator			2	\$22.92	
Inspection Technician			5	\$24.83	

"H"

Mechanic			7	\$23.54	2018
Level 3 Arborist			6	\$22.97	2018
Level 3 Ice Center Maint			6	\$22.97	2018
DPW Lead			7	\$23.54	2018
DPW Lead			7	\$23.54	2018
DPW Lead			7	\$23.54	2018
DPW Lead			7	\$23.54	2018
Mechanic			7	\$23.54	2018
Mechanic			7	\$23.54	2018
Mechanic			7	\$23.54	2018
DPW Lead			6	\$22.97	2017
Lead Man			7	\$23.54	2018
Admin Ass't Fire			8		2018
Municipal Court Clerk		6/9/2014	3	\$21.25	
Assess Technician			3	\$21.25	
Election & Licensing Spec			5	\$22.40	
Account Clerk II			3	\$21.25	
Assess Technician			3	\$21.25	
On-Call Muni Court Clerk			1	\$20.10	

Water Operator	7	\$23.54	2018
Wastewater Operator	7	\$23.54	2018
Wastewater Operator	7	\$23.54	2018
Water Operator	8	\$24.12	2018
Water Operator	8	\$24.12	2018
Water Operator	8	\$24.12	2018
Water Operator	2	\$20.67	2017
Water Operator	8	\$24.12	2018
Water Operator	7	\$23.54	2018
Wastewater Operator	2	\$20.67	2017
Utility Lead	7	\$23.54	2018
Wastewater Operator	7	\$23.54	2018

"G"

Prod Spec (PT 50%)	4	\$19.44	
Secretary II	3	\$18.93	
Secretary II	4	\$19.44	
Secretary II	4	\$19.44	
Secretary II	4	\$19.44	
Secretary II	4	\$19.44	
DPW Level 2	9	\$21.99	2017
DPW Level 2	9	\$21.99	2017
DPW Level 2	9	\$21.99	2017
DPW Level 2	9	\$21.99	2017
Assistant to Mayor		\$52,473	
Customer Service Rep	Above		
Customer Service Rep	5	\$19.95	
Customer Service Rep	5	\$19.95	
Customer Service Rep	5	\$19.95	
Customer Service Rep	5	\$19.95	
Customer Service Rep	3	\$18.93	
Airport Employee	1	\$17.90	
Airport Ops Tech (75%)	2	\$18.41	
Travel Trainer	8		2018

	DPW Level 2		8	\$21.48	2017
"F"	Custodian DPW		Above	\$21.01	
	DPW Level 3		Above	\$21.46	
	DPW Level 3		Above	\$21.46	
	DPW Level 3		Above	\$21.46	
	Assistant Stock Clerk		Above	\$21.46	
	DPW Level 3		3	\$16.59	
	DPW Level 3		Above	\$21.46	
	DPW Level 3		Above	\$21.46	
	DPW Level 3		Above	\$21.46	
	Level 3 - Large Truck	\$44,627	Above	\$21.46	
	DPW Level 3		Above	\$21.46	
	Level 3 - Large Truck		Above	\$21.46	
	Drop Off Attendant		Above	\$21.01	
	DPW Level 3		2	\$16.15	
	DPW Level 3		2	\$16.15	
	DPW Level 3		2	\$16.15	
	DPW Level 3		1	\$15.70	
	DPW Level 3		2	\$16.15	
	Secretary		8	\$18.84	2018
	Secretary		3	\$16.59	
	Secretary		8	\$18.84	2018
	DPW Level 3		2	\$16.15	
	Riverfront Art Ctr Director		1	\$15.70	
	Collections System Crew		3	\$16.59	
	Collections System Crew		Above	\$22.37	
"E"	A/P Clerk (PT 50%)		10	\$17.68	2017
	Custodian Parks		Above	\$21.01	
	Custodian Parks		2	\$14.46	

	Custodian Parks		3	\$14.86
	Custodian Parks		Above	\$21.01
"D"				
	CSO/Meter Maint (PT 50%)	2/17/2014	2	\$13.39
	CSO/Meter Maint (PT 50%)	2/17/2014	3	\$13.75
	Ordinance Control Officer	8/25/2015	2	\$13.39
"C"				
	CSO/Meter Maint (PT 50%)	10/5/2015	2	\$12.39

On April 21, 2014 the City Council voted to approve allowing the additional pays described below:

**Wing Truck Driver:** Level 3 and below employees who are required to operate the Wing Truck shall receive an additional seventeen cents (\$.17) per hour over and above the normal hourly rate for each hour of snow plowing operation. The seventeen cent (\$.17) upgrade shall not be retroactive to 1999 services during the winter of 1998/1999. This amount shall be increased to eighteen cents (\$.18) effective January 1, 2000.

**Tri-Axle Truck Drivers:** Operators of a tri-axle truck shall receive eighteen cents (\$0.18) per hour in addition to the Large Truck wage rate for all time operating a tri-axle truck.

<b>ELECTED:</b>	May-15	###	5/1/2016	4/19/2016
Mayor	\$71,050	###		\$72,115.75
City Attorney	\$92,000	###	\$93,000	
City Treasurer	\$72,000	###	\$73,000	
City Clerk	\$62,000	###	\$63,000	
Municipal Court Judge	\$12,000	###	\$16,000	

COMPARABLE COMMUNITIES  
USED IN PAY STUDY

City of Fond du Lac  
City of Manitowoc  
City of Superior  
City of Wausau

City of Marshfield  
City of Neenah  
City of Watertown  
City of Wisconsin Rapids

The following communities were initially included in the comparable communities list, but were removed by City Council action:

City of De Pere  
City of La Crosse

City of Eau Claire  
City of Sun Prairie

The Personnel Committee and City Council voted to include both Public and Private Sector comparable data. The City Council voted to contract with an outside vendor, Carlson Dettmann, LLC to conduct the pay study.

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# **CITY OF STEVENS POINT, WI Classification/Compensation Study Policy Review**

**Carlson Dettmann Consulting, LLC  
Charles E. Carlson, Consultant**

**September 30, 2013**

# Policy Discussion Agenda

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- **Job evaluation review**
  - **Factors**
  - **Examples**
- **Market measurement**
  - **Sources and benchmarks**
  - **Data Weighting**
- **Pay plan design method**
  - **Regression analysis**
  - **Pay structure**
- **Pay policy considerations**

# Our Recommended Approach

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- **In general, balance internal consistency with market competitiveness**
- **One pay plan for all staff**
  - **Except police, fire, and transit unions**
- **Emphasize performance management**

# Internal Consistency – Job Evaluation

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- **Evaluations based on documentation**
- **Five factors**
  - **Education & required experience**
  - **Decision-making**
  - **Thinking challenges**
  - **Communications**
  - **Working conditions**
- **Objective analysis and application**
  - **Internal review and adjustments**
- **Appeals following adoption**

# Human Resources Example

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JOB TITLE	Formal Prep Exp		Decisions		Thinking		Communication		Work Environ		Total Points
	Rating	Points	Rating	Points	Rating	Points	Rating	Points	Rating	Points	
DIRECTOR	6E	198	5C+P	402	5D	198	5D	228	1L	50	1076
MANAGER	6D	198	4BP	174	4C+	152	4C	131	1L	50	705
ANALYST	6C	172	3+A+P	150	4C	131	4C	131	1L	50	634
OFFICE SUPV	5C	114	3A+P	132	3C	114	3C	99	1L	50	509
ASSISTANT	3C	86	2AS	75	2B	75	2B	75	1L	50	361



## DECISION MAKING (IMPACT)

IMPACT OF JUDGMENTS	LEVEL	EXTENT OF DECISION MAKING (A/B/C/D) – NATURE OF DECISIONS (A/S/P/F)															
		JOB-CENTERED A				DEPARTMENT-WIDE B				MULTIPLE DEPARTMENTS C				ORGANIZATION-WIDE D			
		A	S	P	F	A	S	P	F	A	S	P	F	A	S	P	F
LEAST – Detailed procedures / protocols and close supervision	1																
CONFINED – Procedures / protocols are clear and supervision is available as required or requested	2		Asst														
MODERATE – Policies and precedents are clear and supervision / managerial direction is available as requested	3			S A													
CONSIDERABLE – Department policies and practices are interpreted and applied with only general supervision / managerial direction	4							M									
SUBSTANTIAL – Judgments involve multi-department policy interpretation and/or defining new policies of major importance to the organization	5											D					
INCLUSIVE – Judgments deal with governance of the entire organization within overall parameters established by the governing authority	6																

## THINKING CHALLENGES AND PROBLEM SOLVING

CONTEXT AND COMPLEXITY OF CHALLENGES AND PROBLEMS	LEVEL	REQUIRED RESPONSE				
		Make clear-cut choices A	Choose among several responses of equal effect B	Choose the best alternative from among the possibilities C	Examine, research, and resolve each challenge/issue D	Develop and offer original, creative solutions E
Complexity is low and challenges / problems are relatively minimal	1					
Challenges / problems tend to be routine procedure / process issues	2		Asst			
Challenges / problems tend to be more diverse but are typically covered by precedent or established practice	3			S		
Challenges / problems must be addressed within broader, <u>department-wide procedures and practices</u>	4			A M		
Challenges / problems are complicated and require interpretation and application of <u>policies and objectives</u>	5				D	
Challenges / problems are complex, relating to <u>broad operating policies</u>	6					
Challenges / problems deal with the organization's mission and governance	7					

## INTERACTIONS AND COMMUNICATIONS

CONTEXT OF INTERACTIONS AND COMMUNICATIONS	LEVEL	OUTCOMES AND EFFECTS				
		A	B	C	D	E
Responses are provided to others' requests for basic, general information	1					
Requests are answered and contacts initiated to exchange basic, general information	2		Asst			
Specialized information and/or recommendations are provided to others regarding an area of expertise	3			S		
Actively persuades and/or directs others toward achievement of expected outcomes	4			M & A		
Interactions are frequently focused on complex issues of major importance to the organization	5				D	
Interactions are consistently focused on critical operational and/or governance issues	6					

# Objectives

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- **Move to a uniform pay plan**
  - **Based on job evaluation and market competitiveness**
- **Allocate positions into grades with 50-point intervals**
  - **Presently dozens and not uniform**

# Market Measurement Method

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## ○ Sources

- Custom public sector surveys
- Bureau of Labor Statistics
- Towers Watson selectively
- Central WI SHRM

## ○ Results

- Job classifications matched to data

# Policy Question #2

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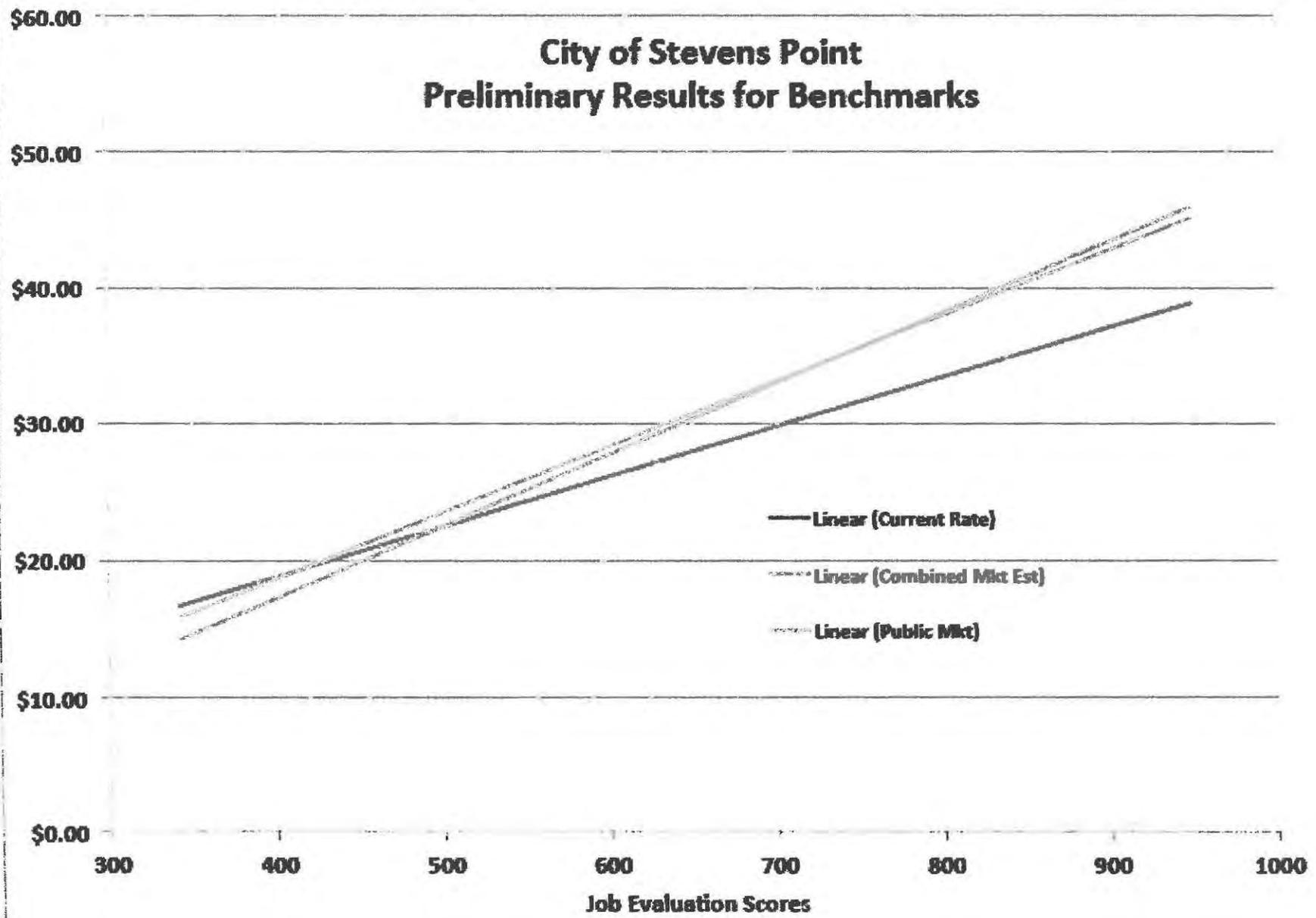
- **Where does the City want to position itself in its labor markets?**
  - High?
  - Low?
  - Average?
- **Data weighting**
  - Depends on recruitment/retention experience
- **Do benefits matter?**
  - Yes; health insurance is key
  - Stevens Point pays a lot for employee health plan
  - How should this factor?

# Weighting the Data

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<b>JOB LEVEL</b>	<b>PRIVATE</b>	<b>PUBLIC</b>
<b>Department Heads &amp; Managers</b>	<b>25%</b>	<b>75%</b>
<b>Supervisors, Professionals &amp; Advanced Technical</b>	<b>50%</b>	<b>50%</b>
<b>Non-exempt</b>	<b>75%</b>	<b>25%</b>

# City of Stevens Point Preliminary Results for Benchmarks



# City Health Plan Cost Concerns

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	Family Plan Cost	Employer Pct.	Employer Cost	Employee Cost
<b>Kaiser Avg.</b>	<b>\$15,500</b>	<b>72%</b>	<b>\$11,160</b>	<b>\$4,340</b>
<b>Stevens Point</b>	<b>\$26,224</b>	<b>91%</b>	<b>\$23,838</b>	<b>\$2,386</b>
<b>Difference</b>	<b>\$10,724</b>	<b>19%</b>	<b>\$12,678</b>	<b>-\$1,954</b>

# Designing a Pay Structure

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- **Currently**
  - **Step system for traditional non-represented staff**
  - **Variety of plans for positions covered by traditional bargaining**
- **Decisions for new plan**
  - **Decide market placement**
  - **Update and extend the type of structure used for non-represented**
  - **Decide on role of performance management**

# Option A – Revised Current Step Plan

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- **Step system**
  - **Steps = 2.5% of range C/P**
- **Similar to what have now for traditional non-rep group**
  - **Range spread = 28.5%**
- **Progression based on annual performance at least meeting expectations**

# Option B – Open Range Plan

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- **Structure**
  - **Minimum, Control Point, and Maximum**
  - **50% spread**
  - **No fixed steps**
- **Establish a merit pay matrix to manage progression**
- **Adjust schedule periodically based on market changes**

# Option C – Combination Plan

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- **Spread of 137%**
  - **Minimum = 87.5% of C/P**
  - **Maximum = 120% of C/P**
- **Steps over 5 years to Control Point**
  - **Step = 2.5% of C/P**
- **Use merit between Control Point and Maximum**
  - **Like with Open range plan**
- **When increase structure, increase steps**

## **Final Analysis –Pay Plan Makes Sense If..**

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- **Plan is internally equitable**
- **Pay ranges reasonably reflect what employees can earn in your labor market performing similar duties**
- **Supports employee development**
- **Employees have opportunity to make more based upon contribution**
- **Can be funded and maintained consistently**

# C/Ratio Statistic

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- **C/Ratio is the relationship between current pay and pay range C/P**
- **Based on current regression results and data weighting we are recommending**
  - **Overall C/Ratio of new plan would be 112.5%**
- **There will be extensive red-circling under either of the 3 options**
  - **Most extensive under Option A**













# Job Evaluation System

CARLSON DETTMANN CONSULTING, LLC  
608.239.7991

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# JOB EVALUATION

Job evaluation is a systematic process used to establish internal equity among positions and the foundation for the development of an overall classification hierarchy. The process has evolved from basic job slotting to a more refined and systematic application of several compensable factors to positions being evaluated. Most current job evaluation methodologies are known as point-factor systems.

Our point-factor job evaluation methodology creates a total point profile based on the breadth and depth in each position using the factors of: *Formal Preparation and Experience, Decision Making, Thinking Challenges and Problem Solving, Interactions and Communications, and Work Environment.*

To achieve and maintain effective and bias-free job evaluation, evaluators must:

- Exercise consistent application of the system, based on thorough training and a common understanding of the concepts of internal equity and position classification.
- Commit to addressing and removing any process bias that would result in over-evaluating or under-evaluating a position.
- Ensure that no evaluations are scheduled or completed without current and complete job documentation and relevant background information.
- Be sufficiently inclusive from a process standpoint to help ensure credibility of the job evaluation methodology throughout the organization. When using a committee for job evaluation, members chosen for that committee should, as a whole, represent the breadth and depth of the organization.

## PROCESS DIRECTIONS

### FORMAL PREPARATION AND EXPERIENCE

In applying this factor, determine the most representative combination of formal preparation and experience typically required to qualify for the position being evaluated. It is important to verify the minimum acceptable qualifications of the position by reviewing current job descriptions and any additional job documentation available to evaluators.

#### Formal Preparation

The knowledge accumulated through formal preparation / training / education which is distinguished by a curriculum and testing of that accumulated knowledge.

#### Experience

The most representative profile of relevant prior experience required to qualify for the position being evaluated.

## FORMAL PREPARATION AND EXPERIENCE

FORMAL PREPARATION	Level	EXPERIENCE PROFILE TO QUALIFY FOR THE POSITION							
		0 to 6 months	7 months to 1 year	2 to 3 years	4 to 5 years	6 to 7 years	8 to 9 years	10 to 11 years	12 plus years
		A	B	C	D	E	F	G	H
No required specifications	1								
Basic reading, writing, and math skills	2								
High school competencies or equivalent	3								
High school plus an additional 1 year of formal preparation	4								
High school plus an additional 2 years of formal preparation	5								
Formal preparation equivalent to a four-year degree	6								
Formal preparation requires an advanced degree equivalent to the master's level	7								
Formal preparation requires an advanced degree equivalent to the doctoral level	8								

## PROCESS DIRECTIONS

### DECISION MAKING (IMPACT)

In applying this factor, determine the freedom to act that is delegated to the position, the extent of the organization effected by those actions, and the best characterization of decision making typical of the position being evaluated.

#### **Freedom to Act**

Determine the most representative level of autonomy delegated to the position for initiating actions or making decisions.

#### **Extent of Actions Taken**

Determine the breadth of the organization affected by actions taken that would be typical for the position.

#### **Decision Making**

Determine the degree of decision making which is most representative from the following:

Ancillary (A): information is provided to others for their decision making.

Suggesting (S): information is provided with additional research and observations which contributes to the decision making process.

Participating (P): decision making requires a close collaboration of all those involved in the decision making process.

Final (F): clear and ongoing responsibility for final decisions in most cases.

## DECISION MAKING (IMPACT)

IMPACT OF JUDGMENTS	LEVEL	EXTENT OF DECISION MAKING (A/B/C/D) – NATURE OF DECISIONS (A/S/P/F)															
		JOB-CENTERED A				DEPARTMENT-WIDE B				MULTIPLE DEPARTMENTS C				ORGANIZATION- WIDE D			
		A	S	P	F	A	S	P	F	A	S	P	F	A	S	P	F
LEAST – Detailed procedures / protocols and close supervision	1																
CONFINED – Procedures / protocols are clear and supervision is available as required or requested	2																
MODERATE – Policies and precedents are clear and supervision / managerial direction is available as requested	3																
CONSIDERABLE – Department policies and practices are interpreted and applied with only general supervision / managerial direction	4																
SUBSTANTIAL – Judgments involve multi-department policy interpretation and/or defining new policies of major importance to the organization	5																
INCLUSIVE – Judgments deal with governance of the entire organization within overall parameters established by the governing authority	6																

## PROCESS DIRECTIONS

### THINKING CHALLENGES AND PROBLEM SOLVING

In applying this factor determine the representative thinking challenges and problem solving required on an ongoing basis, and thereafter, the depth of intellectual response to those challenges and the creativity involved in solving problems.

#### **Context and Complexity**

Determine the context and complexity of challenges / problems in relation to established procedures, protocols, and policies.

#### **Required Response**

Determine the depth of response required by the position.

## THINKING CHALLENGES AND PROBLEM SOLVING

CONTEXT AND COMPLEXITY OF CHALLENGES AND PROBLEMS	LEVEL	REQUIRED RESPONSE				
		Make clear-cut choices A	Choose among several responses of equal effect B	Choose the best alternative from among the possibilities C	Examine, research, and resolve each challenge/issue D	Develop and offer original, creative solutions E
Complexity is low and challenges / problems are relatively minimal	1					
Challenges / problems tend to be routine procedure / process issues	2					
Challenges / problems tend to be more diverse but are typically covered by precedent or established practice	3					
Challenges / problems must be addressed within broader, <u>department-wide procedures and practices</u>	4					
Challenges / problems are complicated and require interpretation and application of <u>policies and objectives</u>	5					
Challenges / problems are complex, relating to <u>broad operating policies</u>	6					
Challenges / problems deal with the organization's mission and governance	7					

## PROCESS DIRECTIONS

### INTERACTIONS AND COMMUNICATIONS

In applying this factor, first determine the context of business interactions and communications which are an ongoing part of performing the position being evaluated, from answering requests for basic information to the most critical operational and governance issues in the organization.

Second, determine which of the characterizations below best describe the outcomes, effects, and impacts of these interactions and communications in the organization. **Be sure to recognize the impact of such communications both inside and outside of the organization.**

- A. Interactions and communications are limited to effective working relationships.
- B. Interactions and communications have a noticeable effect on the flow of information and/or data in the organization related to basic procedures and practices.
- C. Interactions and communications tend to control and/or modify the flow of information and/or data in the organization related to basic procedures and practices.
- D. Interactions and communications regularly focus on new policies and/or the modification of existing policies.
- E. Interactions and communications primarily and regularly deal with the most major operational and/or governance issues in the organization.

## INTERACTIONS AND COMMUNICATIONS

CONTEXT OF INTERACTIONS AND COMMUNICATIONS	LEVEL	OUTCOMES AND EFFECTS				
		A	B	C	D	E
Responses are provided to others' requests for basic, general information	1					
Requests are answered and contacts initiated to exchange basic, general information	2					
Specialized information and/or recommendations are provided to others regarding an area of expertise	3					
Actively persuades and/or directs others toward achievement of expected outcomes	4					
Interactions are frequently focused on complex issues of major importance to the organization	5					
Interactions are consistently focused on critical operational and/or governance issues	6					

## PROCESS DIRECTIONS

### WORK ENVIRONMENT

In applying this factor, first determine the potential for injury in performing the job being evaluated. Also determine what recognized health hazards regularly exist in the typical work environment of the job being evaluated.

Second, determine the physical requirements to perform the job being evaluated as expected and within established organizational policies related to good safety practices.

Low The position requires a low degree of physical effort.

Medium The position requires regular physical effort performed in at least half or more of the job.

High The position requires physical activity that requires continuous, major effort that could be most, if not all, of the position.

## WORK ENVIRONMENT

POTENTIAL FOR ACCIDENTS AND/OR HEALTH HAZARDS IN THE REGULAR WORK ENVIRONMENT	LEVEL	PHYSICAL REQUIREMENTS		
		LOW	MEDIUM	HIGH
Minimal	1			
Limited potential for accidents and some exposure to one or two recognized health hazards	2			
Some potential for accidents and some exposure to multiple recognized health hazards	3			
Potential for lost-time accidents and regular exposure to multiple recognized health hazards (or frequently to one)	4			
Frequent potential for lost-time accidents and continuous exposure to health hazards	5			
Continuous potential for severe / lost time accidents and/or intense exposure to recognized health hazards	6			

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# **City of Stevens Point, WI Classification/Compensation Study Findings and Recommendations**

**November 11, 2014**

**Carlson Dettmann Consulting, LLC  
Madison, WI**

**CARLSON  
DETMANN  
CONSULTING**

# Project Objectives

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- **Balance internal consistency with market competitiveness**
- **Consolidate pay plan structure**
- **Review linkages between benefits and pay, and performance and pay**

**Pay plan presented today fulfills these objectives**

# Major Study

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- **About 130 employees**
- **Over \$6.1M payroll**
- **Avg. annual FTE wage = \$48,800**

# **Job Evaluation → Internal Consistency**

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- **Evaluations based on documentation**
- **Five factors**
  - **Education & required experience**
  - **Decision-making**
  - **Thinking challenges**
  - **Communications**
  - **Working conditions**
- **Objective analysis and application**
  - **Internal review and adjustments, where justified**
  - **Appeals following adoption**

# Using the Results

---

- **Result is many job classifications, each with a point score**
- **What do we do with this?**
  - **A unique pay range for each classification is unworkable**
- **Instead, allocate positions into grades**
  - **BUT, one unified plan for the City of Stevens Point**

# Three Major Policy Questions

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- 1. What are your comparison markets?**
- 2. Where does the City want to position in those markets?**
- 3. How do you want to deliver pay?**

# Q#1: Market Measurement?

---

- **20 benchmark positions**
  - **Job classifications matched to data**
  - **Representative of different pay and responsibility levels at the City of Stevens Point**
- **Data sources**
  - **Custom public employer survey**
    - \* **8 cities selected by City Council**
    - \* **Fond du Lac, Manitowoc, Marshfield, Watertown, Neenah, Superior, Wausau, and Wisconsin Rapids**
  - **Published data from established sources**
    - \* **Bureau of Labor Statistics, Towers Watson, & Central WI SHRM**

# Policy for Weighting the Data

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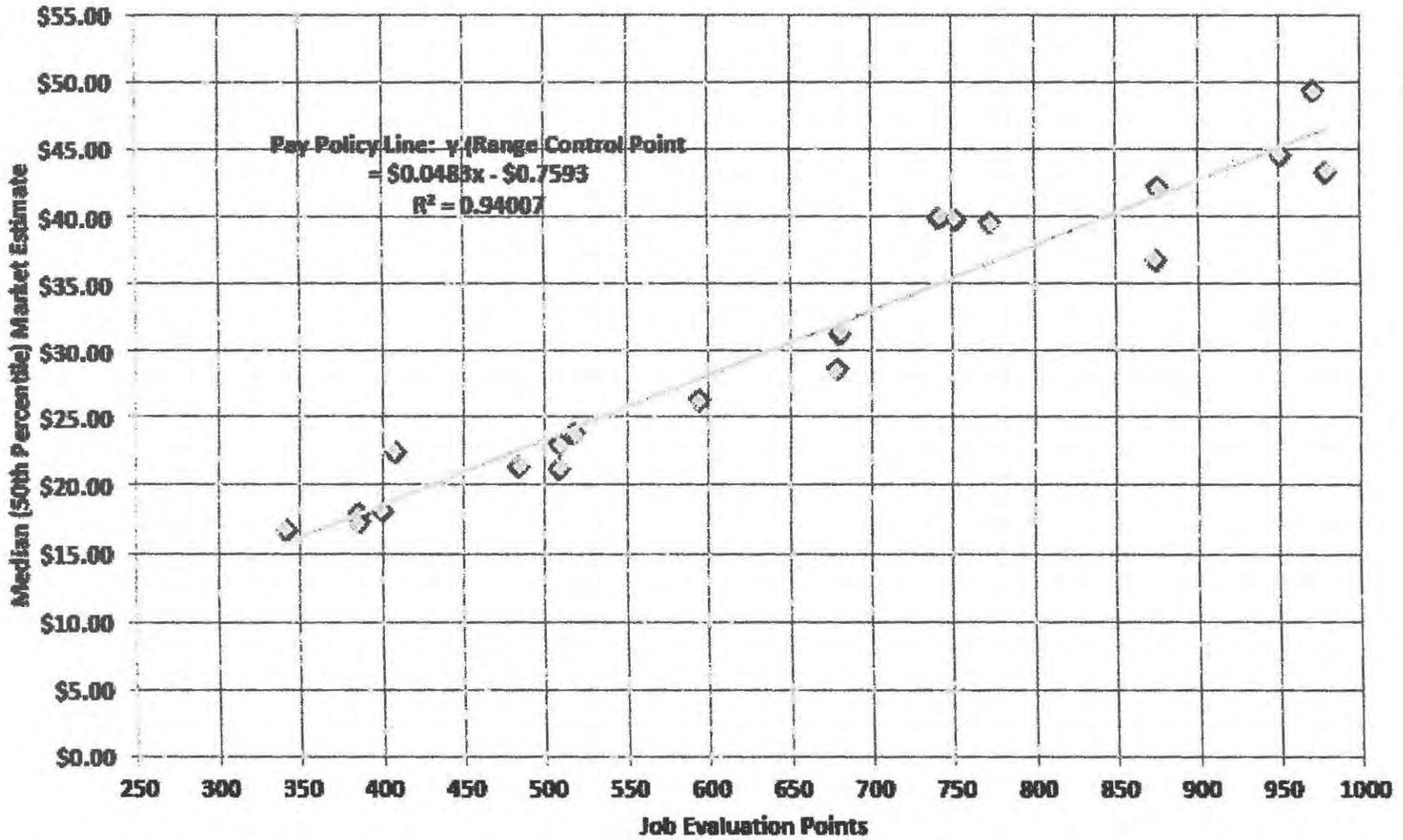
<b>JOB LEVEL</b>	<b>PRIVATE</b>	<b>PUBLIC</b>
<b>Department Heads &amp; Managers</b>	<b>25%</b>	<b>75%</b>
<b>Supervisors, Professionals &amp; Advanced Technical</b>	<b>50%</b>	<b>50%</b>
<b>Non-exempt</b>	<b>75%</b>	<b>25%</b>

## Policy Question #2

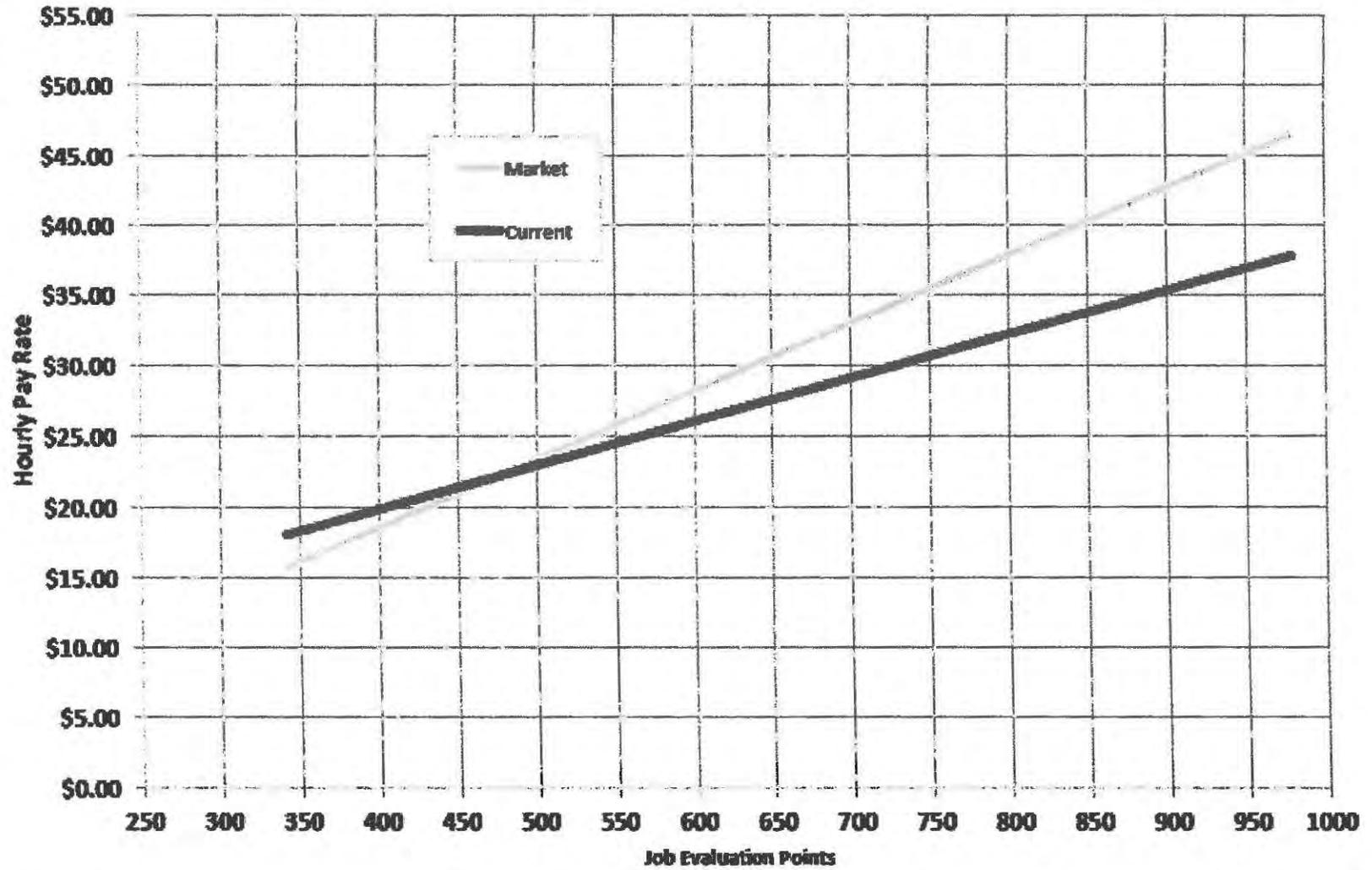
---

- **Where does the City want to position itself in its labor markets?**
  - **Based on discussions with Committee, plan is built around average pay**
- **Do benefits matter?**
  - **Yes**
  - **Health insurance is being addressed**
    - ★ **More work to be done**
  - **Employees now contributing 50% of pension**

**City of Stevens Point  
Regression of Median Market Pay on Job Evaluation**



**City of Stevens Point  
Comparison of Current and Market Regression Lines of Best Fit**



## Q#3: Pay Delivery – Options?

---

- **Public employers across Wisconsin are moving to more performance management**
- **Quick movement to pay for performance is relatively rare**
- **Interest is intense in making at least some compensation performance driven**
- **Desire tends to outpace ability to manage ... but that can change and *assistance is available***

# Pay Plan Design

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- **Assume the City will continue current structure**
  - **Step 6 (Control Point, or C/P) linked to market estimates**
- **11 steps**
  - **Minimum = 87.5% of C/P**
  - **Maximum = 112.5% of C/P**
- **Steps require performance at least meeting expectations**
  - **Steps 2-6, each year**
  - **Steps 7-9, every two years**
  - **Steps 10-11, every three years**

# Trend Line Data

---

## ○ Equation for pay policy line:

- **$y$  (predicted pay) = \$.0483 times  $x$  (job evaluation score) - \$7.593**
- **.0483 is line slope (every point = \$.0483)**
- **-\$7.593 is the  $y$ -axis intercept**
- **Correlation coefficient is 0.94**
  - ★ **Can be interpreted as job evaluation system explains 94% of the variance in market pay**
  - ★ **This is a very high coefficient; tight fit**
  - ★ **Excellent basis for designing a pay plan**

# Example of How We Use the Line Data

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- **Objective is to create range Control Points linked to market data**
- **Example: Calculating a Grade Midpoint ... Grade "J"**
  - **Grade J Point Range is 550-599 pts.**
  - **Middle value is 574.5 pts**
- **Using the line equation**
  - **$(\$0.0483 \text{ times } 574.5 \text{ pts}) - \$0.7593 = \$24.89$**
  - **$\$26.99 \text{ aged by } 1\% = \$27.38 \text{ (with rounding)}$**
- **Becomes the Gr J Control Point (Step 6)**
  - **Range = \$23.96 to \$30.80**

**CITY OF STEVENS POINT**

**RECOMMENDED 2014 STEP STRUCTURE - HOURLY FORMAT**

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Point	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	\$41.15	\$42.33	\$43.50	\$44.68	\$45.85	\$47.03	\$48.21	\$49.38	\$50.56	\$51.73	\$52.91
Q	900	949	\$39.01	\$40.12	\$41.24	\$42.35	\$43.47	\$44.58	\$45.69	\$46.81	\$47.92	\$49.04	\$50.15
P	850	899	\$36.86	\$37.91	\$38.96	\$40.01	\$41.07	\$42.12	\$43.17	\$44.23	\$45.28	\$46.33	\$47.39
O	800	849	\$34.70	\$35.69	\$36.69	\$37.68	\$38.67	\$39.66	\$40.65	\$41.64	\$42.63	\$43.63	\$44.62
N	750	799	\$32.55	\$33.48	\$34.41	\$35.34	\$36.27	\$37.20	\$38.13	\$39.06	\$39.99	\$40.92	\$41.85
M	700	749	\$30.41	\$31.28	\$32.14	\$33.01	\$33.88	\$34.75	\$35.62	\$36.49	\$37.36	\$38.23	\$39.09
L	650	699	\$28.25	\$29.06	\$29.87	\$30.68	\$31.48	\$32.29	\$33.10	\$33.90	\$34.71	\$35.52	\$36.33
K	600	649	\$26.10	\$26.85	\$27.59	\$28.34	\$29.08	\$29.83	\$30.58	\$31.32	\$32.07	\$32.81	\$33.56
J	550	599	\$23.96	\$24.64	\$25.33	\$26.01	\$26.70	\$27.38	\$28.06	\$28.75	\$29.43	\$30.12	\$30.80
I	500	549	\$21.81	\$22.43	\$23.05	\$23.67	\$24.30	\$24.92	\$25.54	\$26.17	\$26.79	\$27.41	\$28.04
H	450	499	\$19.65	\$20.21	\$20.78	\$21.34	\$21.90	\$22.46	\$23.02	\$23.58	\$24.14	\$24.71	\$25.27
G	400	449	\$17.51	\$18.01	\$18.51	\$19.01	\$19.51	\$20.01	\$20.51	\$21.01	\$21.51	\$22.01	\$22.51
F	350	399	\$15.36	\$15.80	\$16.23	\$16.67	\$17.11	\$17.55	\$17.99	\$18.43	\$18.87	\$19.31	\$19.74
E	325	349	\$13.75	\$14.14	\$14.53	\$14.92	\$15.32	\$15.71	\$16.10	\$16.50	\$16.89	\$17.28	\$17.67
D	300	324	\$12.73	\$13.10	\$13.46	\$13.82	\$14.19	\$14.55	\$14.91	\$15.28	\$15.64	\$16.01	\$16.37
C	275	299	\$11.79	\$12.12	\$12.46	\$12.80	\$13.13	\$13.47	\$13.81	\$14.14	\$14.48	\$14.82	\$15.15
B	250	274	\$10.91	\$11.22	\$11.53	\$11.85	\$12.16	\$12.47	\$12.78	\$13.09	\$13.41	\$13.72	\$14.03

**CITY OF STEVENS POINT**

**RECOMMENDED 2014 STEP STRUCTURE - SALARY FORMAT**

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Point	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	\$85,592	\$88,046	\$90,480	\$92,934	\$95,360	\$97,822	\$100,277	\$102,710	\$105,185	\$107,598	\$110,053
Q	900	949	\$81,141	\$83,450	\$85,779	\$88,080	\$90,418	\$92,726	\$95,035	\$97,365	\$99,674	\$102,003	\$104,312
P	850	899	\$76,669	\$78,853	\$81,037	\$83,221	\$85,426	\$87,610	\$89,794	\$91,996	\$94,182	\$96,366	\$98,571
O	800	849	\$72,176	\$74,235	\$76,315	\$78,374	\$80,434	\$82,493	\$84,552	\$86,611	\$88,670	\$90,750	\$92,810
N	750	799	\$67,704	\$69,638	\$71,573	\$73,507	\$75,442	\$77,376	\$79,310	\$81,245	\$83,179	\$85,114	\$87,048
M	700	749	\$63,253	\$65,062	\$66,851	\$68,661	\$70,470	\$72,280	\$74,090	\$75,899	\$77,709	\$79,518	\$81,307
L	650	699	\$58,760	\$60,445	\$62,130	\$63,814	\$65,478	\$67,163	\$68,848	\$70,532	\$72,197	\$73,882	\$75,566
K	600	649	\$54,288	\$55,848	\$57,387	\$58,947	\$60,486	\$62,046	\$63,606	\$65,146	\$66,706	\$68,245	\$69,805
J	550	599	\$49,837	\$51,251	\$52,686	\$54,101	\$55,536	\$56,950	\$58,365	\$59,800	\$61,214	\$62,650	\$64,064
I	500	549	\$45,365	\$46,654	\$47,944	\$49,234	\$50,544	\$51,834	\$53,123	\$54,434	\$55,723	\$57,013	\$58,323
H	450	499	\$40,872	\$42,037	\$43,222	\$44,387	\$45,552	\$46,717	\$47,882	\$49,046	\$50,211	\$51,397	\$52,562
G	400	449	\$36,421	\$37,461	\$38,501	\$39,541	\$40,581	\$41,621	\$42,661	\$43,701	\$44,741	\$45,781	\$46,821
F	350	399	\$31,949	\$32,864	\$33,758	\$34,674	\$35,589	\$36,504	\$37,419	\$38,334	\$39,250	\$40,165	\$41,059
E	325	349	\$28,600	\$29,411	\$30,222	\$31,034	\$31,866	\$32,677	\$33,488	\$34,320	\$35,131	\$35,942	\$36,754
D	300	324	\$26,478	\$27,248	\$27,997	\$28,746	\$29,515	\$30,264	\$31,013	\$31,762	\$32,531	\$33,301	\$34,050
C	275	299	\$24,523	\$25,210	\$25,917	\$26,624	\$27,310	\$28,018	\$28,725	\$29,411	\$30,118	\$30,826	\$31,512
B	250	274	\$22,693	\$23,338	\$23,992	\$24,648	\$25,293	\$25,938	\$26,582	\$27,227	\$27,893	\$28,538	\$29,182

# Medical Plan Benchmarking

Medical	City of Stevens Point In/Out of Network CDHP	March 2012 Employer Sponsored In/Out of Network CDHP Midwest Region	March 2012 Services Industry In/Out of Network CDHP Municipalities Government
Deductible	\$1,500 / \$2,500 Individual In/Out of Network \$3,000 / \$5,000 Family In/Out of Network	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$6,000 Family In/Out of Network	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$6,000 Family In/Out of Network
Coinsurance	100% In Network / 80% Out of Network	80% In Network / 60% Out of Network	80% In Network / 60% Out of Network
Maximum Out of Pocket	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$6,000 Family In/Out of Network	\$3,000 / \$6,000 Individual In/Out of Network \$6,000 / \$12,000 Family In/Out of Network	\$1,500 / \$5,950 Individual In/Out of Network \$6,050 / \$11,000 Family In/Out of Network
Office Visits (PCP)	100% after Deductible In Network 80% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network
Prescription Drug	100% after Deductible In Network 80% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network
Hospital Inpatient	100% after Deductible In Network 80% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network	80% after Deductible In Network 60% after Deductible Out of Network
Emergency Room	100% after Deductible In Network 80% after Deductible Out of Network	80% after Deductible In Network	80% after Deductible In Network
Average Health Plan Cost per EE per Year	\$18,622	\$11,026	\$12,042
Annual Health Savings Account Contribution	\$1,000 Individual \$2,000 Family	\$500 Individual \$1,000 Family (72% of employers used the account)	\$750 Individual \$1,500 Family (77% of employers used the account)
Employee Contribution Percentage	10% Individual 10% Family	31% Individual 54% Family	13% Individual 23% Family
Average Monthly Employee Premium Contribution	\$79.80 Individual \$202.20 Family	\$106 Individual \$461 Family	\$50 Individual \$234 Family

# Recommended Option

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- **Why not variable pay for performance now?**

# Pay-for-Performance Requirements

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- **Centralized form of government with authority granted for centralized decision-making**
  - **Consistent administrative support**
  - **Department head accountability**
- **Accurate performance measurement**
  - **Forms need to be developed**
  - **Skilled, trained managers and supervisors**
  - **Auditing and re-training**
- **Strong, consistent political support from the City Council**
  - **Can't be a fad**
  - **Adequate funding**

# Implementation

---

- **If below Minimum, go to Minimum**
- **If within range, go to step that provides an increase**
- **If above Maximum, freeze (red-circle) until grades catch up**
  - **or promoted or reclassified upward**
- **City has provided implementation analysis and fiscal estimate**

# Red-Circling in Practice

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- **Principle: Individual employee pay not reduced if above range**
  - **Significant morale issue if cut pay**
  - **Should only cut pay if financially imperative**
  - **Savings come with turnover**
- **Red-circling does not mean can't grant inflation adjustments**

# Appeals and Maintenance

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- **Appeals processed following plan adoption by City Council**
  - **Must be based on documentation**
  - **For changes in responsibilities**
  - **Missed items on documentation**
  - **Feel not classified correctly**
  - **Council policy decisions on market, implementation, and pay structure cannot be appealed**
- **Maintenance plan**
  - **Annual opportunity for classification review**
- **Periodic market review**



November 13, 2013

**MEMORANDUM**

**TO:** Mayor Andrew Halverson

**FR:** Charles E. Carlson, Partner and Consultant

**RE:** Proposed Pay Plan

On Monday evening, November 11, the Personnel Committee voted to send the pay plan that we developed with you to the City Council on November 18. In doing so, the Committee asked for additional information on the methodology used to develop the plan. Accordingly, I am providing this executive summary memorandum to you for your Council presentation. In addition, you have provided the outline that I used for reference at the Committee meeting. This memorandum will be an expanded version of that outline.

The uniform pay plan that we developed, under the terms of the Scope of Work in our professional services agreement with the City, covers approximately 130 current staff with an annual payroll of approximately \$6.15 million and an average base salary of \$48,800. If adopted the plan would pull a diverse group of pay plans into a uniform structure with 16 pay ranges; 13 ranges would have positions assigned, and three would be vacant and available should positions change.

The City is familiar with this process because it is identical to the research methodology we used, and the City Council adopted, seven years ago for what was then called a non-represented employee pay schedule. The base pay of all other employees was determined by collective bargaining under a system of laws and regulations that effectively precluded any reference to private sector pay or benefits. In adopting what is known as Acts 10 and 32, the Wisconsin legislature reduced collective bargaining scope to cover only a limited base

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608.239.7991

wage increase and safety conditions. The structure and administration of the pay plan for all employees, except unionized protective service and transit employees, is now the City Council's obligation.

Therefore, the scope of this project was to develop a pay plan that would do the following: 1) balance internal equity and consistency with market competitiveness; 2) develop a consistent pay plan for all covered staff; 3) emphasize performance management; and 4) a review of the level of benefits provided City of Stevens Point employees.

### Internal Relationships

Internal equity and consistency was achieved using CDC's Job Evaluation System to rate five key job-related factors. The job evaluation factors are:

- Formal Preparation and Experience
- Decision Making (Impact)
- Thinking Challenges and Problem Solving
- Interactions and Communications
- Work Environment

When the evaluation was finished, the point scores on each factor were totaled to obtain the overall point value of the job. Having a point score allows CDC to band jobs together that may be quite dissimilar in order to establish a job hierarchy and classification system.

CDC determined the number of recommended pay grades by placing jobs with similar total point scores into a pay grade with the assumption that jobs of similar value should have the same pay opportunities. Because there are five factors of job worth measured, jobs can end up in the same grade with differences in point scores among some of the factors.

### Competitiveness

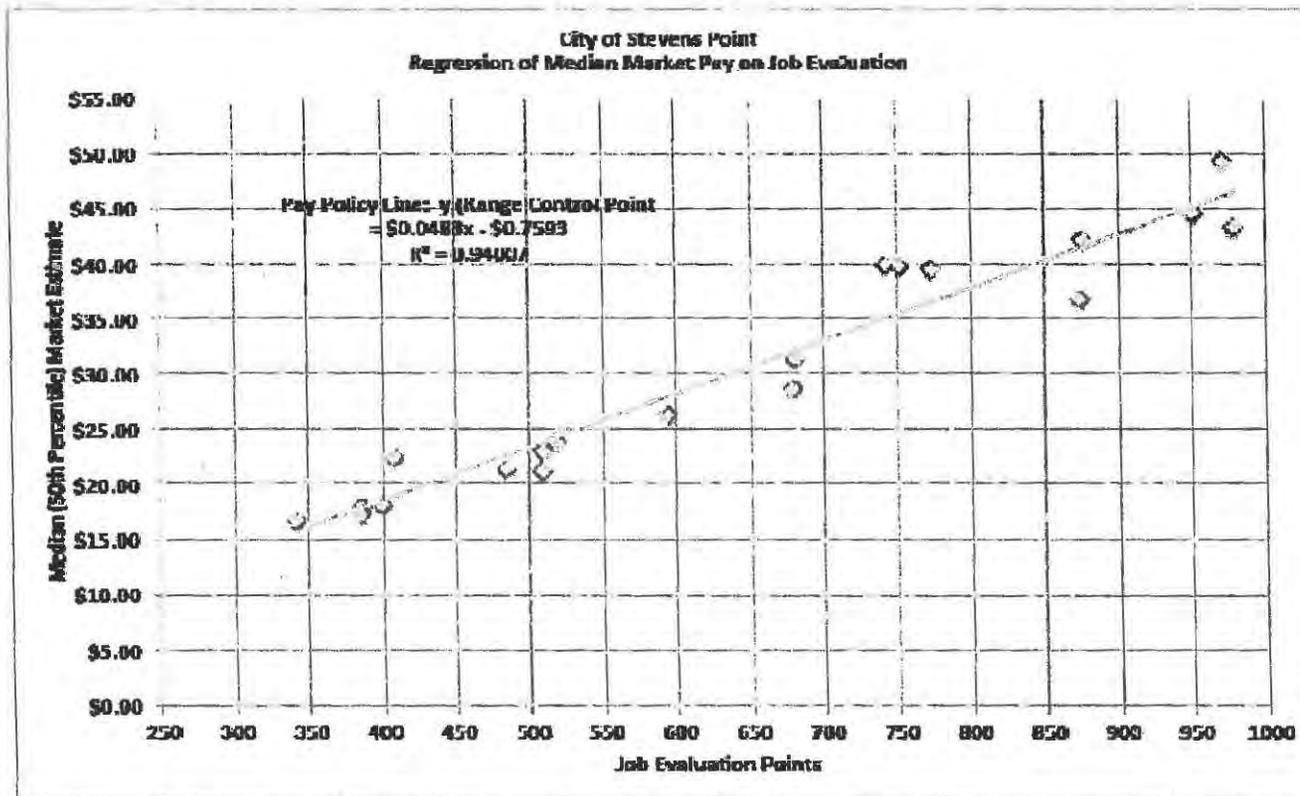
At the direction of the City Council, our market analysis included base wage data from the following cities: Fond du Lac, Manitowoc, Marshfield, Watertown, Neenah, Superior, Wausau, and Wisconsin Rapids. Private sector matches were developed from the following sources: U.S. Bureau of Labor Statistics, Central Wisconsin Society of Human Resources Survey, and Towers Watson.

In analyzing the data, we weighted the public and private sector data according to typical market experience, which the City administration verified, as follows: Management jobs at 75% public sector/25% private sector; mid-level positions (first line supervisors and professional staff) at 50/50% each sector; and non-exempt (hourly compensated positions at 25% public sector/75% private). For your information, we have completed, or are in the process of completing pay studies in four of the eight cities selected by the City Council for market comparisons, and in all four of those projects, those cities required us to use private and public sector data, and the weighting was similar to the Stevens Point project. The resulting benchmark data used to develop the new pay plan is as follows:

Benchmark Position	JE Score	Hourly Rate*	Market Estimate	Market Index	Public Sector Avg.	Private Sector Avg.
CUSTODIAN	342	\$20.56	\$16.67	125%	\$20.94	\$15.25
DPW MAINTENANCE WORKER	386	\$21.35	\$17.90	119%	\$21.80	\$16.60
ADMIN SUPPORT SPECIALIST	400	\$17.59	\$18.14	97%	\$18.88	\$17.89
ACCT CLERK II	401	\$17.95	\$17.23	104%	\$19.21	\$16.57
EQUIPMENT OPERATOR	408	\$21.30	\$22.46	95%	\$22.96	\$22.29
ADMINISTRATIVE ASSISTANT - FIRE	481	\$22.38	\$21.65	103%	\$20.47	\$22.05
MECHANIC	484	\$20.46	\$21.40	96%	\$22.99	\$20.87
ADMINISTRATIVE ASSISTANT/PARALEGAL	509	\$21.23	\$23.00	92%		\$23.00
ENG TECH III	518	\$22.91	\$23.79	96%		\$23.79
BUILDING INSPECTOR	594	\$30.04	\$26.26	114%	\$28.84	\$23.69
SENIOR ACCOUNTANT	679	\$25.76	\$28.62	90%		\$28.62
IT NETWORK ADMIN	681	\$27.31	\$31.34	87%		\$31.34
HUMAN RESOURCE MANAGER	742	\$30.88	\$39.89	77%	\$39.45	\$41.21
SUPERINTENDENT OF STREETS	752	\$31.67	\$39.77	80%	\$39.77	
ASSISTANT POLICE CHIEF	773	\$34.27	\$39.54	87%	\$39.54	
CITY ENGINEER	835	\$33.00	\$42.20	78%	\$42.45	\$41.46
DIRECTOR OF PARKS, REC, & FORESTRY	874	\$36.93	\$36.78	100%	\$36.78	
FIRE CHIEF	951	\$39.16	\$44.57	88%	\$44.57	
PUB WORKS DIRECTOR	971	\$31.52	\$49.37	64%	\$49.37	
POLICE CHIEF	979	\$40.12	\$43.31	93%	\$43.31	

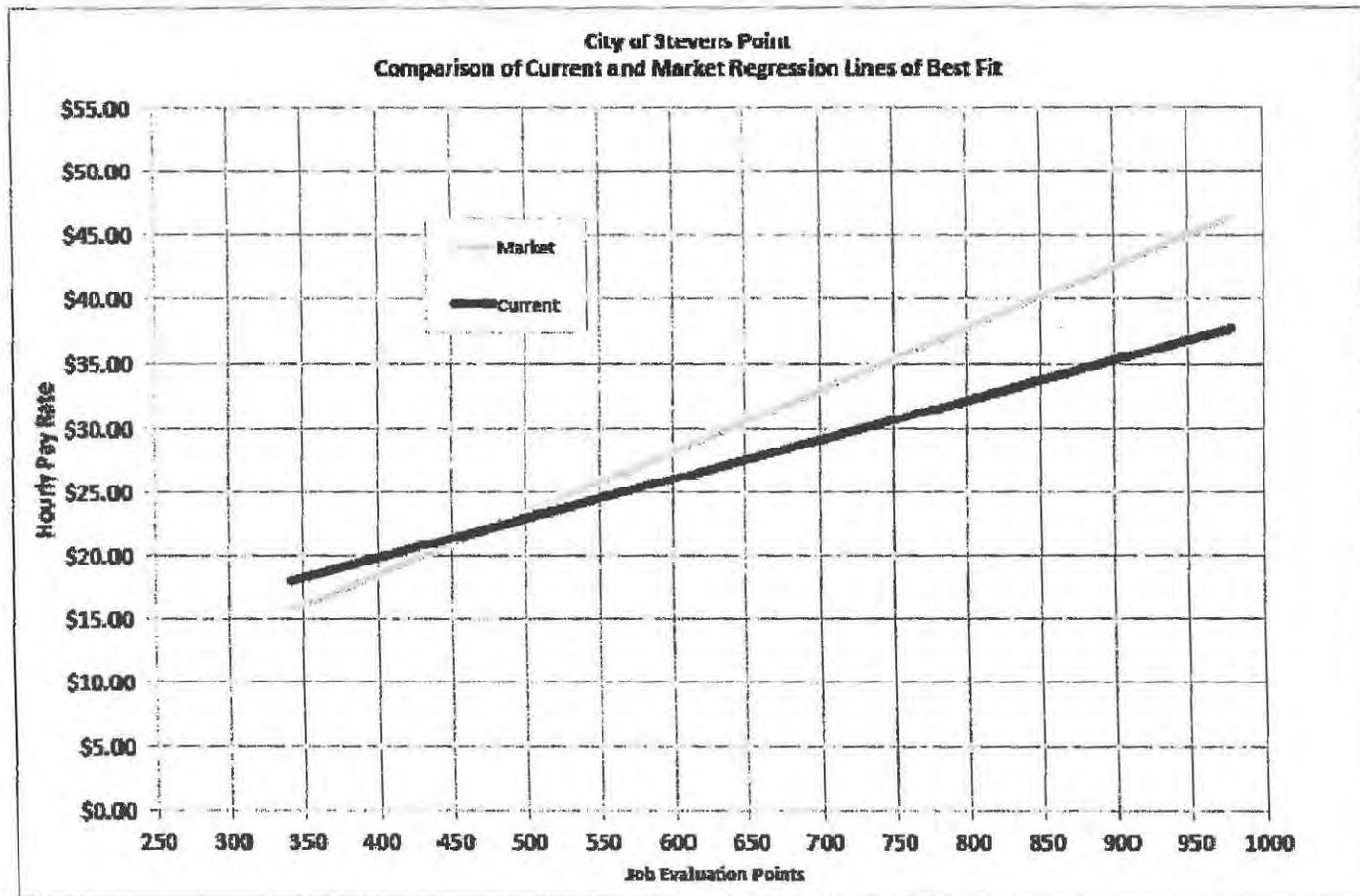
Avg. Market Index 94%

The job evaluation results for the benchmark positions is useful for developing a new pay plan if there is a close relationship between job scores and market rates. A valid job evaluation system/pay model accurately “predicts” market pay. Is this the case with the City of Stevens Point data?



Clearly, the relationship between job evaluation scores and our market estimates is strong, as measured by the regression coefficient of 0.94, which can be interpreted as 94% of the market variance can be explained by job evaluation scores. The equation for the market line is:  $y$  (Predicted pay/Control Points) = {\$.0483 (slope of the line) times job evaluation score} - \$.07593 (y-axis intercept).

What, then, is the relationship between this market policy line and current City pay practices? Is the City paying high, low, or on target? The graph on the following page tells the story. The City is paying somewhat above market for its lower level positions and substantially below market for its supervisory and management benchmark classifications.



The black line reflects the relationship between job evaluation scores and the City's current pay rates; the gray line again is the market line that graphed above with the benchmark data points. The plan summarized below would correct these pay relationships over time and with manageable fiscal impact. We have developed our recommendations on an assumption the City's policy will be to try to "match" the market on average.

The Plan Recommendation (As presented to the Personnel Committee) -

The plan is a recalibration of the step plan currently covering management employees. It has eleven steps, range spreads of 28.5%, and each step is 2.5% of each range Control Point, which also is the midpoint of the grade. Each range Minimum is 87.5% of the Control Point, and each range maximum is 112.5% of the Control Point. The new pay plan matrix is on the following page of this executive summary.

We developed the following implementation strategy recommendation in consultation with the Mayor's office and Human Resources:

- Pay plan implementation would be at the start of the first full pay period in January 2014.
- Any employee currently paid below the Minimum of the new range would be increased to the Minimum rate.
- Any employee currently paid at a rate between the range Minimum and Maximum would be placed on the step that provides an increase; there would be no special adjustments for length of service or performance.
- Normally, employees would be hired at the Minimum, unless an applicant has unusually strong qualifications desired by the City.
  - Progression up to the Step 6, the Control Point, is in one-year steps.
  - Progression to Steps 7-9 would be in two-year increments.
  - Progression to Steps 10-11 would be in three-year increments.
- All employees would receive an annual performance evaluation.
- Pay progression through the plan requires that the employee at least meet performance expectations on the most recent evaluation.
- Employees with pay rates above the maximum rate of their pay range would have their pay frozen, or "red-circled" until the pay rate is again within the pay range. The City could consider non-base pay, or even base pay, increases in future years to red-circled staff if there are sufficient funds and employee performance meets or exceeds measured expectations.

**CITY OF STEVENS POINT  
RECOMMENDED 2014 STEP STRUCTURE - SALARY FORMAT**

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Point	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	\$85,592	\$88,046	\$90,480	\$92,934	\$95,368	\$97,822	\$100,277	\$102,710	\$105,165	\$107,598	\$110,053
Q	900	949	\$81,141	\$83,450	\$85,779	\$88,088	\$90,418	\$92,726	\$95,035	\$97,365	\$99,674	\$102,003	\$104,312
P	850	899	\$76,669	\$78,853	\$81,037	\$83,221	\$85,426	\$87,610	\$89,794	\$91,998	\$94,182	\$96,366	\$98,571
O	800	849	\$72,176	\$74,235	\$76,315	\$78,374	\$80,434	\$82,493	\$84,552	\$86,611	\$88,670	\$90,750	\$92,810
N	750	799	\$67,704	\$69,638	\$71,573	\$73,507	\$75,442	\$77,376	\$79,310	\$81,245	\$83,179	\$85,114	\$87,048
M	700	749	\$63,253	\$65,062	\$66,851	\$68,661	\$70,470	\$72,280	\$74,090	\$75,899	\$77,709	\$79,518	\$81,307
L	650	699	\$58,760	\$60,445	\$62,130	\$63,814	\$65,478	\$67,163	\$68,848	\$70,512	\$72,197	\$73,882	\$75,566
K	600	649	\$54,288	\$55,848	\$57,387	\$58,947	\$60,486	\$62,046	\$63,606	\$65,146	\$66,706	\$68,245	\$69,805
J	550	599	\$49,837	\$51,251	\$52,686	\$54,101	\$55,536	\$56,950	\$58,365	\$59,800	\$61,214	\$62,650	\$64,064
I	500	549	\$45,365	\$46,654	\$47,944	\$49,234	\$50,544	\$51,834	\$53,123	\$54,434	\$55,723	\$57,013	\$58,323
H	450	499	\$40,872	\$42,037	\$43,222	\$44,387	\$45,552	\$46,717	\$47,882	\$49,046	\$50,211	\$51,397	\$52,562
G	400	449	\$36,421	\$37,461	\$38,501	\$39,541	\$40,581	\$41,621	\$42,661	\$43,701	\$44,741	\$45,781	\$46,821
F	350	399	\$31,949	\$32,864	\$33,756	\$34,674	\$35,589	\$36,504	\$37,419	\$38,334	\$39,250	\$40,165	\$41,099
E	325	349	\$28,600	\$29,411	\$30,222	\$31,034	\$31,866	\$32,677	\$33,488	\$34,320	\$35,131	\$35,942	\$36,754
D	300	324	\$26,478	\$27,248	\$27,997	\$28,746	\$29,515	\$30,264	\$31,013	\$31,782	\$32,531	\$33,301	\$34,050
C	275	299	\$24,523	\$25,210	\$25,917	\$26,624	\$27,310	\$28,018	\$28,725	\$29,411	\$30,118	\$30,826	\$31,512
B	250	274	\$22,693	\$23,338	\$23,982	\$24,648	\$25,293	\$25,938	\$26,582	\$27,227	\$27,893	\$28,538	\$29,182

Notes: All step advancement requires a formal performance review, and the employee must at least meet performance expectations. Steps 2-6 are at annual intervals

Movement through Steps 2-6 is at one-year intervals; Steps 7-9 at two-year intervals; and Steps 10-11 at three-year intervals.

- The City has performed an implementation cost analysis, and this implementation plan is within the amount of funds set aside to implement a new plan.

The pay matrix is based on the formula for the market pay line shown on the market graph:  $y$  (predicted pay, or market average) =  $y$  (predicted pay) =  $\$.0483$  times  $x$  (job evaluation score) -  $\$.7593$ . Our objective is to create range Control Points linked to market data, so for example, in to calculate a Grade Midpoint for Grade which includes all jobs from 550 to 599 job evaluation points. We substitute the middle point value of 574.5 points into the pay equation as follows:  $(\$.0483 \text{ times } 574.5 \text{ pts}) - \$.7593 = \$26.99$ . We aged the data 1% for market changes between July 2013 and January 2014, so the Control Point of Grade J is  $\$27.38$ , allowing for rounding, and the pay range is  $\$23.96$  to  $\$30.80$ .

The allocation of employees to the pay plan by step would be as follows:

**DISTRIBUTION UPON IMPLEMENTATION**  
Number of  
Employees at

Step 1	28	22%
Step 2	9	7%
Step 3	5	4%
Step 4	8	6%
Step 5	6	5%
Step 6	15	12%
Step 7	3	2%
Step 8	4	3%
Step 9	7	6%
Step 10	2	2%
Step 11	2	2%
> Max	36	29%

**Total            125            100%**

There are three major issues with this new pay plan. First, we feel the immediate obligation is to increase the pay of the twenty-eight employees who are below the Minimum of their range to the new Minimum. Several of the individual increases will be substantial

because the City has been underpaying those positions so much. However, when one considers that implementation only gets them to the Minimum, not to the market, and given that their skills are highly marketable for valuable leaders, we feel this is an absolute requirement.

Second, placing employees on the step that provides an increase, instead of placing them on a step that reflects their City experience on that job is very hard for experienced employees to accept. However, the alternative is just not within the City's budget. Furthermore, they now have a higher pay horizon that can be earned over time.

Third, the thirty-six red-circled employees are not going to be happy about the new plan. However, we suggest the City consider the following observations.

- The red-circled employees have been above market and still will be, whereas others are just coming to the Minimums of their new pay ranges. We have not recommended anyone be reduced in pay, so, as we explained to employees during orientation sessions at the start of the project, the worse result would be that they would come out of the project making what they were being paid going into it.
- Almost all of these employees are in FLSA non-exempt job classifications for which the City has continued overtime pay practices with pay premiums above those required by law. Most municipalities have changed their practices to eliminate these premiums. The City has been more than fair in this regard.
- Third, as will be explained below in the benefits analysis section, the benefits costs, coupled with high pay, make the red-circled employees vulnerable to outside competition in a cost-cutting environment. The City has not gone down this path, and putting the brakes on this compensation package should work toward improved job security.

### Benefits

Our project agreement with the City calls for us to "Comment on the quality and cost of the benefit program and recommend modifications that seem warranted by the Client's total compensation philosophy." Appropriately, clients ask this be taken into consideration because, historically, public employee fringe benefit programs tend to be superior to those typically received by a community's citizens, and the public body wants to feel confident it is being fair to taxpayers and employees. How is the City Stevens Point doing in this regard?

All of the data collected by us and others over the years, combined with our years of practical experience, points to a clear conclusion that public employee benefits are very good, and typically better than most people enjoy. However, that outcome reflects Wisconsin's long-standing public policy, which is not untypical of government policy in many areas of the world, and is completely consistent with a practice of hiring public employees and investing in them for a career in public service.

We asked the City to provide two specific examples from payroll records that break out benefit costs for a manager and for a public works employee. The results are tabulated below:

	Mid-Level Manager	DPW Level 3
<b>REGULAR PAY FULL TIME</b>	\$51,332	\$23,469
<b>OUT OF CLASS PAY</b>	\$0	\$16,375
<b>OVERTIME</b>	\$0	\$2,200
<b>VACATION PAY</b>	\$6,221	\$3,588
<b>SICK PAY</b>	\$2,073	\$669
<b>COMP TIME</b>	\$1,424	
<b>FLOATING HOLIDAY</b>	\$235	\$166
<b>LONGEVITY</b>	\$300	\$660
<b>MISCELLANEOUS PAY</b>	\$30	\$17
	<hr/>	<hr/>
	\$61,614	\$47,144
<b>SOCIAL SECURITY</b>	\$3,593	\$2,744
<b>MEDICARE</b>	\$840	\$642
<b>WORKMAN'S COMPENSATION</b>	\$2,031	\$1,458
<b>MEDICAL INS FAMILY Employer Pd</b>	\$25,939	\$25,939
<b>INCOME CONTINUANCE Empr Paid</b>	\$13	\$10
<b>STANDARD LIFE INS Empr Pd</b>	\$22	\$22
<b>MM LIFE INS Empr Pd</b>	\$60	\$31
<b>WRS GENERAL ER Cont</b>	\$3,635	\$2,781
	<hr/>	<hr/>
	\$36,133	\$33,628
<b>TOTAL COMPENSATION</b>	<hr/> <hr/>	<hr/> <hr/>
	\$97,747	\$80,771

We believe any reasonable observer would conclude that the level and cost of benefits provided by the City of Stevens Point to its employees is extraordinarily high compared to what is available to the average worker in our economy, and certainly in Stevens Point. The cost of fringe benefits can be divided into four major cost categories – required benefits (social security, Medicare, unemployment compensation, and worker’s compensation), paid time off (vacation, sick leave, holidays, etc.), pension, and health care.

Of the four benefit cost areas, the City is consistent with others on required benefits (social security, medicare, workers compensation). Those expenses are driven by statutory requirements and lost time or reduction in force experience. The City provided three examples of total compensation at our request to illustrate the impact of benefits on total compensation. The tabulation is presented on the following page of this summary.

Paid time off benefits costs tend to be higher than most community employers because the City has a workforce with many years of service.

In the retirement area, the State of Wisconsin has an exceptional public employee pension program. It is well-funded and well-managed, and a critical cornerstone of our public employment policy. However, until the passage of Acts 10/32, there was growing criticism that it was too rich a benefit because the entire cost was born by taxpayers. Since passage, all public employees, except for unionized police, fire and transit employees, are required to pay half of their pension costs, and new agreements are being reached with unions representing those exempted employees to do the same. These changes helped level the competitive playing field.

The fourth benefit cost area – health insurance – remains a challenge, particularly since passage of the Affordable Care Act. The Act is raising everyone’s awareness about the practical and social equity issues surrounding access to and the cost of health care.

The most quoted basis of comparison of health plan costs and contribution rates is provided by the Kaiser Family Foundation ([www.kff.org](http://www.kff.org)). Historically, public employees have benefitted from exceptionally good health care programs that mirrored those developed in collective bargaining with large private sector employers. These programs were outcomes of the post WWII period and the extraordinary growth of the American economy. Unfortunately, our economy changed, and many private sector programs disappeared with the private sector jobs and their benefit programs. Public employees remain and continue to be key contributors to the quality of our communities.

Two things, though, created a disparity. First, health insurance costs have skyrocketed and will continue to grow at a rate faster than our economy. Second, our historic collective bargaining laws and practices insulated public employees from the changes private sector employers and employees were implementing in their health insurance programs. The result is that public employees in many areas of Wisconsin have health insurance benefits that are superior in plan design and employer contribution levels than taxpayers have available. With the Affordable Care Act, this is a rapidly growing public policy concern.

The City implemented a number of plan provisions in 2013 that have helped control plan expenses in 2013. The savings are sufficient for the City Mayor and Comptroller to recommend a three-month premium holiday during the last quarter of 2014 during which employees would not have their premium share deducted from their paychecks. This cost is approximately \$70,000 and represents the equivalent of a one-time adjustment of more than 1% of base payroll. This holiday is proposed in lieu of a pay increase in 2014 and would be from insurance fund balances so there is no levy impact or on-going expense.

This "holiday" notwithstanding, we believe the City should make a serious move toward a greater premium contribution share paid by employees. The current City premium contribution is about twice the national average for employer contribution, and the difference is the equivalent of \$6/hour in benefit costs. The national average for contribution proportions is around 80% employer paid/20% employee paid. One way to create a more representative balance would be to have the employees and City share future plan premium increases on a 50/50 basis until an 80/20 split is reached.

### Conclusion

In the final analysis, we believe a good pay plan has to be workable. The plan we have developed with the Mayor's office and Human Resources places reasonable controls on areas of the pay plan where compensation is unreasonably high and raises pay for leadership positions where compensation is very uncompetitive. These changes would be implemented in a manner that the City believes it can afford. In addition, we believe employees should have the opportunity to appeal a classification placement following adoption of a new plan by the City Council, and we have provided Human Resources with a form for that purpose.

The key to developing a uniform pay plan in a post-Act 10 world is balance objective measurement and establishment of internal equity with sound market-based analysis and couple a new plan to effective performance management. The structure described in this report is fair and affordable and will give the City a strong foundation to continue to make the changes in benefits that it needs to make to protect public service cost effectively.

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# **City of Stevens Point, WI Classification/Compensation Study Findings and Recommendations**

**November 11, 2013**

**Carlson Dettmann Consulting, LLC  
Madison, WI**

**CARLSON  
DETMANN  
CONSULTING**

# Sound Compensation Program Standards

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- 1. Aligned with strategic objectives**
- 2. Creates internal equity**
- 3. Competitive**
- 4. Considers total compensation design**
- 5. Supports performance management**
- 6. Affordable**
- 7. Legal**
- 8. Understandable**
- 9. Efficient to administer and consistent**
- 10. Audited regularly**

# Project Objectives

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- **Balance internal consistency with market competitiveness**
- **Consolidate pay plan structure**
- **Review linkages between benefits and pay, and performance and pay**

**Pay plan presented today fulfills these objectives**

# Major Study

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- **About 130 employees**
- **Over \$6.1M payroll**
- **Avg. annual FTE wage = \$48,800**

# Job Evaluation → Internal Consistency

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- **Evaluations based on documentation**
- **Five factors**
  - **Education & required experience**
  - **Decision-making**
  - **Thinking challenges**
  - **Communications**
  - **Working conditions**
- **Objective analysis and application**
  - **Internal review and adjustments, where justified**
  - **Appeals following adoption**

# Using the Results

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- **Result is many job classifications, each with a point score**
- **What do we do with this?**
  - **A unique pay range for each classification is unworkable**
- **Instead, allocate positions into grades**
  - **BUT, one unified plan for the City of Stevens Point**

# Three Major Policy Questions

---

- 1. What are your comparison markets?**
- 2. Where does the City want to position in those markets?**
- 3. How do you want to deliver pay?**

# Q#1: Market Measurement?

---

- **20 benchmark positions**
  - **Job classifications matched to data**
  - **Representative of different pay and responsibility levels at the City of Stevens Point**
- **Data sources**
  - **Custom public employer survey**
    - \* **8 cities selected by City Council**
    - \* **Fond du Lac, Manitowoc, Marshfield, Watertown, Neenah, Superior, Wausau, and Wisconsin Rapids**
  - **Published data from established sources**
    - \* **Bureau of Labor Statistics, Towers Watson, & Central WI SHRM**

# Policy for Weighting the Data

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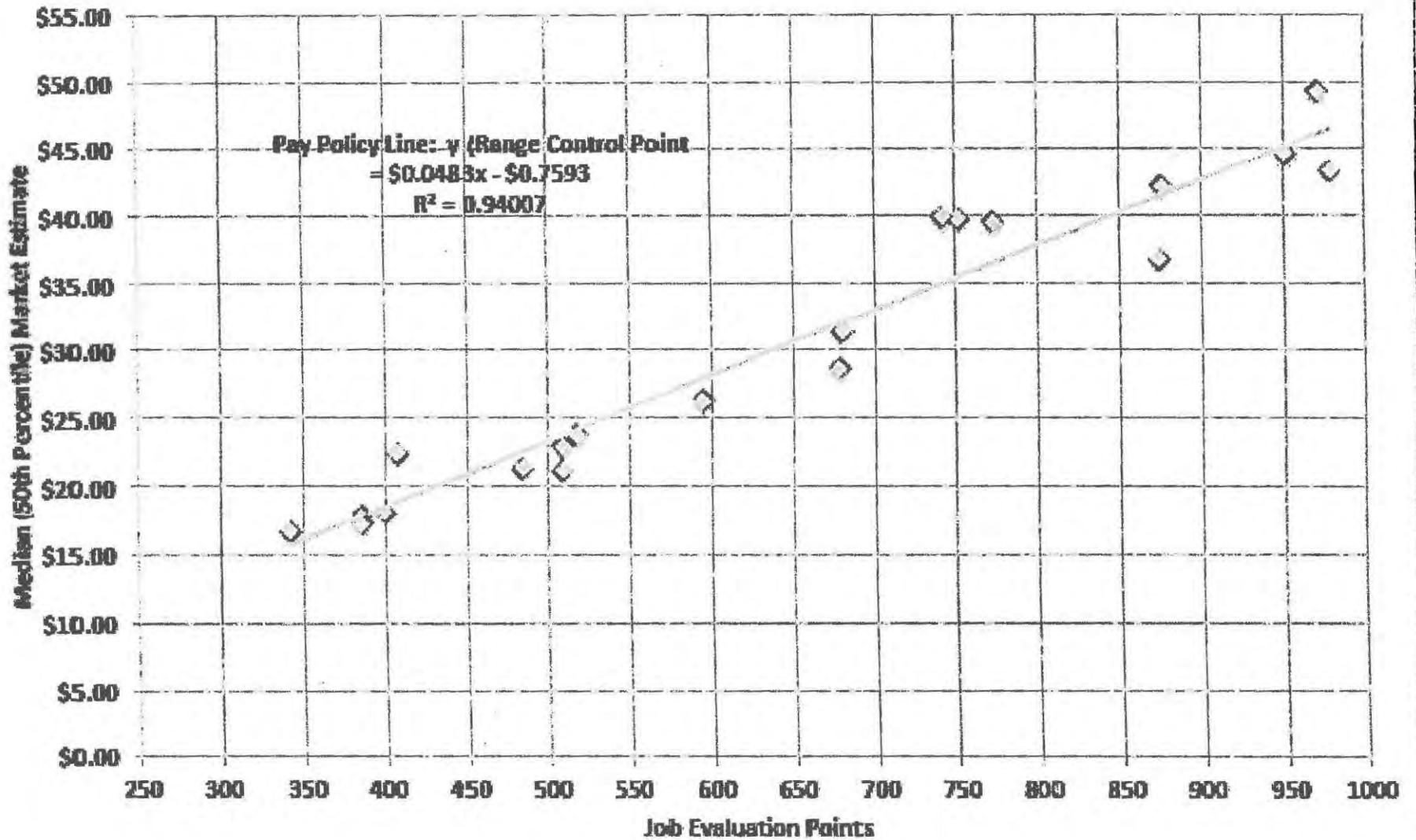
<b>JOB LEVEL</b>	<b>PRIVATE</b>	<b>PUBLIC</b>
<b>Department Heads &amp; Managers</b>	<b>25%</b>	<b>75%</b>
<b>Supervisors, Professionals &amp; Advanced Technical</b>	<b>50%</b>	<b>50%</b>
<b>Non-exempt</b>	<b>75%</b>	<b>25%</b>

# Policy Question #2

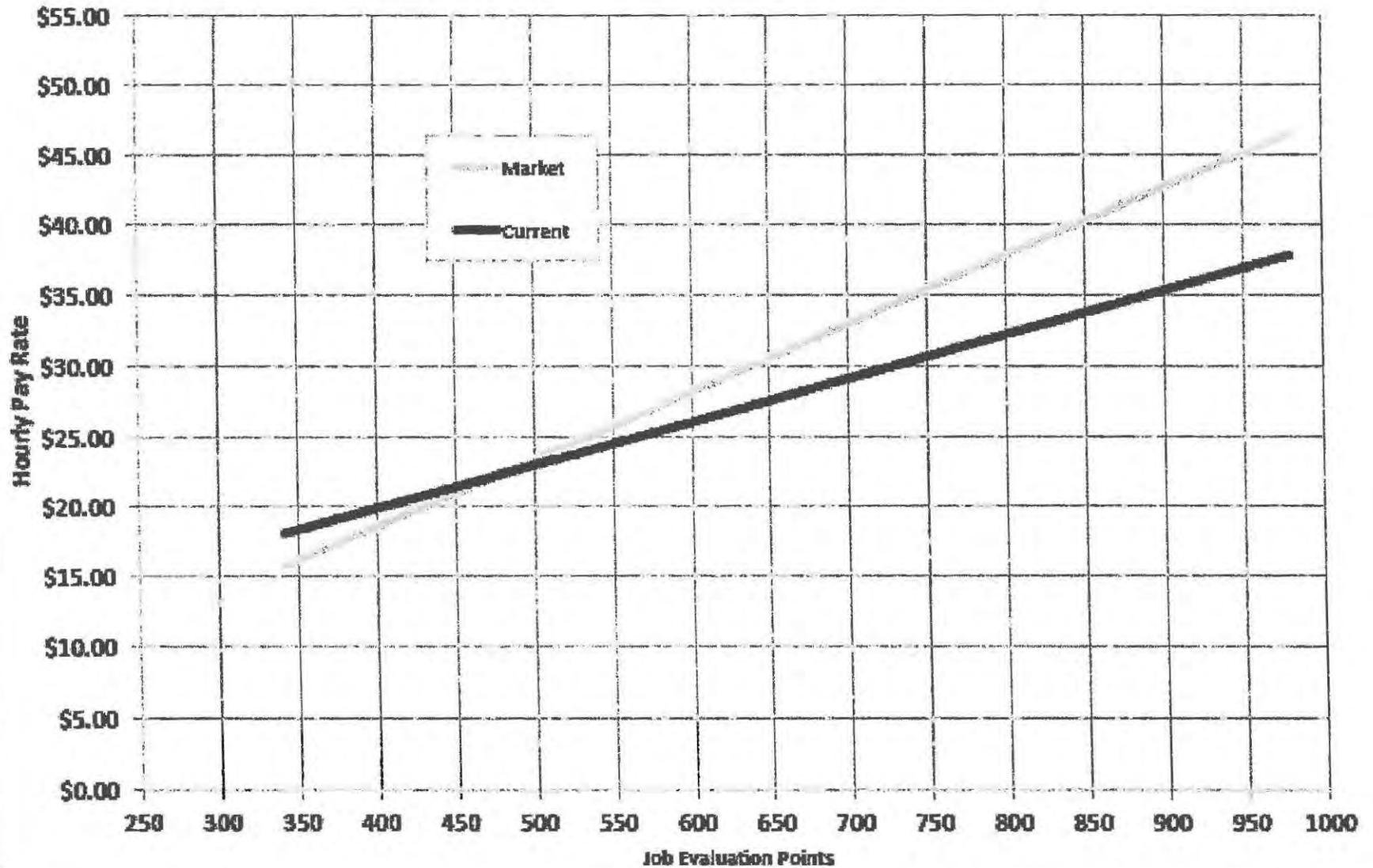
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- **Where does the City want to position itself in its labor markets?**
  - **Based on discussions with Committee, plan is built around average pay**
- **Do benefits matter?**
  - **Yes**
  - **Health insurance is being addressed**
    - \* **More work to be done**
  - **Employees now contributing 50% of pension**

City of Stevens Point  
Regression of Median Market Pay on Job Evaluation



City of Stevens Point  
Comparison of Current and Market Regression Lines of Best Fit



## Q#3: Pay Delivery – Options?

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- **Public employers across Wisconsin are moving to more performance management**
- **Quick movement to pay for performance is relatively rare**
- **Interest is intense in making at least some compensation performance driven**
- **Desire tends to outpace ability to manage ... but that can change and *assistance is available***

# Pay Plan Design

---

- **Assume the City will continue current structure**
  - **Step 6 (Control Point, or C/P) linked to market estimates**
- **11 steps**
  - **Minimum = 87.5% of C/P**
  - **Maximum = 112.5% of C/P**
- **Steps require performance at least meeting expectations**
  - **Steps 2-6, each year**
  - **Steps 7-9, every two years**
  - **Steps 10-11, every three years**

# Trend Line Data

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## ○ Equation for pay policy line:

- $y$  (predicted pay) = \$.0483 times  $x$  (job evaluation score) - \$.7593
- .0483 is line slope (every point = \$.0483)
- -\$.7593 is the  $y$ -axis intercept
- Correlation coefficient is 0.94
  - \* Can be interpreted as job evaluation system explains 94% of the variance in market pay
  - \* This is a very high coefficient; tight fit
  - \* Excellent basis for designing a pay plan

# Example of How We Use the Line Data

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- **Objective is to create range Control Points linked to market data**
- **Example: Calculating a Grade Midpoint ... Grade "J"**
  - **Grade J Point Range is 550-599 pts.**
  - **Middle value is 574.5 pts**
- **Using the line equation**
  - **$(\$0.0483 \text{ times } 574.5 \text{ pts}) - \$0.7593 = \$26.99$**
  - **$\$26.99 \text{ aged by } 1\% = \$27.38 \text{ (with rounding)}$**
- **Becomes the Gr J Control Point (Step 6)**
  - **Range = \$23.96 to \$30.80**

**CITY C TEVENS POINT**

**RECOMMENDED 2014 STEP STRUCTURE - HOURLY FORMAT**

Grade	Start	End	87.5% Minimum	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Control Point	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11
R	950	999	\$41.15	\$42.33	\$43.50	\$44.68	\$45.85	\$47.03	\$48.21	\$49.38	\$50.56	\$51.73	\$52.91
Q	900	949	\$39.01	\$40.12	\$41.24	\$42.35	\$43.47	\$44.58	\$45.69	\$46.81	\$47.92	\$49.04	\$50.15
P	850	899	\$36.86	\$37.91	\$38.96	\$40.01	\$41.07	\$42.12	\$43.17	\$44.23	\$45.28	\$46.33	\$47.39
O	800	849	\$34.70	\$35.69	\$36.69	\$37.68	\$38.67	\$39.66	\$40.65	\$41.64	\$42.63	\$43.63	\$44.62
N	750	799	\$32.55	\$33.48	\$34.41	\$35.34	\$36.27	\$37.20	\$38.13	\$39.06	\$39.99	\$40.92	\$41.85
M	700	749	\$30.41	\$31.28	\$32.14	\$33.01	\$33.88	\$34.75	\$35.62	\$36.49	\$37.36	\$38.23	\$39.09
L	650	699	\$28.25	\$29.06	\$29.87	\$30.68	\$31.48	\$32.29	\$33.10	\$33.90	\$34.71	\$35.52	\$36.33
K	600	649	\$26.10	\$26.85	\$27.59	\$28.34	\$29.08	\$29.83	\$30.58	\$31.32	\$32.07	\$32.81	\$33.56
J	550	599	\$23.96	\$24.64	\$25.33	\$26.01	\$26.70	\$27.38	\$28.06	\$28.75	\$29.43	\$30.12	\$30.80
I	500	549	\$21.81	\$22.43	\$23.05	\$23.67	\$24.30	\$24.92	\$25.54	\$26.17	\$26.79	\$27.41	\$28.04
H	450	499	\$19.65	\$20.21	\$20.78	\$21.34	\$21.90	\$22.46	\$23.02	\$23.58	\$24.14	\$24.71	\$25.27
G	400	449	\$17.51	\$18.01	\$18.51	\$19.01	\$19.51	\$20.01	\$20.51	\$21.01	\$21.51	\$22.01	\$22.51
F	350	399	\$15.36	\$15.80	\$16.23	\$16.67	\$17.11	\$17.55	\$17.99	\$18.43	\$18.87	\$19.31	\$19.74
E	325	349	\$13.75	\$14.14	\$14.53	\$14.92	\$15.32	\$15.71	\$16.10	\$16.50	\$16.89	\$17.28	\$17.67
D	300	324	\$12.73	\$13.10	\$13.46	\$13.82	\$14.19	\$14.55	\$14.91	\$15.28	\$15.64	\$16.01	\$16.37
C	275	299	\$11.79	\$12.12	\$12.46	\$12.80	\$13.13	\$13.47	\$13.81	\$14.14	\$14.48	\$14.82	\$15.15
B	250	274	\$10.91	\$11.22	\$11.53	\$11.85	\$12.16	\$12.47	\$12.78	\$13.09	\$13.41	\$13.72	\$14.03

Notes: All step advancement requires a formal performance review, and the employee must at least meet performance expectations. Steps 2-6 are at annual intervals

Movement through Steps 2-6 is at one-year intervals; Steps 7-9 at two-year intervals; and Steps 10-11 at three-year intervals.

**CITY OF STEVENS POINT  
RECOMMENDED 2014 STEP STRUCTURE - SALARY FORMAT**

Grade	Start	End	87.5%	90.0%	92.5%	95.0%	97.5%	100.0%	102.5%	105.0%	107.5%	110.0%	112.5%
			Minimum	Step 2	Step 3	Step 4	Step 5	Control Point	Step 7	Step 8	Step 9	Step 10	Step 11
R	950	999	\$85,592	\$88,046	\$90,480	\$92,934	\$95,368	\$97,822	\$100,277	\$102,710	\$105,165	\$107,598	\$110,053
Q	900	949	\$81,141	\$83,450	\$85,779	\$88,088	\$90,418	\$92,726	\$95,035	\$97,365	\$99,674	\$102,003	\$104,312
P	850	899	\$76,669	\$78,853	\$81,037	\$83,221	\$85,426	\$87,610	\$89,794	\$91,998	\$94,182	\$96,366	\$98,571
O	800	849	\$72,176	\$74,235	\$76,315	\$78,374	\$80,434	\$82,493	\$84,552	\$86,611	\$88,670	\$90,750	\$92,810
N	750	799	\$67,704	\$69,638	\$71,573	\$73,507	\$75,442	\$77,376	\$79,310	\$81,245	\$83,179	\$85,114	\$87,048
M	700	749	\$63,253	\$65,062	\$66,851	\$68,661	\$70,470	\$72,280	\$74,090	\$75,899	\$77,709	\$79,518	\$81,307
L	650	699	\$58,760	\$60,445	\$62,130	\$63,814	\$65,478	\$67,163	\$68,848	\$70,512	\$72,197	\$73,882	\$75,566
K	600	649	\$54,288	\$55,848	\$57,387	\$58,947	\$60,486	\$62,046	\$63,606	\$65,146	\$66,706	\$68,245	\$69,805
J	550	599	\$49,837	\$51,251	\$52,686	\$54,101	\$55,536	\$56,950	\$58,365	\$59,800	\$61,214	\$62,650	\$64,064
I	500	549	\$45,365	\$46,654	\$47,944	\$49,234	\$50,544	\$51,834	\$53,123	\$54,434	\$55,723	\$57,013	\$58,323
H	450	499	\$40,872	\$42,037	\$43,222	\$44,387	\$45,552	\$46,717	\$47,882	\$49,046	\$50,211	\$51,397	\$52,562
G	400	449	\$36,421	\$37,461	\$38,501	\$39,541	\$40,581	\$41,621	\$42,661	\$43,701	\$44,741	\$45,781	\$46,821
F	350	399	\$31,949	\$32,864	\$33,758	\$34,674	\$35,589	\$36,504	\$37,419	\$38,334	\$39,250	\$40,165	\$41,059
E	325	349	\$28,600	\$29,411	\$30,222	\$31,034	\$31,866	\$32,677	\$33,488	\$34,320	\$35,131	\$35,942	\$36,754
D	300	324	\$26,478	\$27,248	\$27,997	\$28,746	\$29,515	\$30,264	\$31,013	\$31,782	\$32,551	\$33,301	\$34,050
C	275	299	\$24,523	\$25,210	\$25,917	\$26,624	\$27,310	\$28,018	\$28,725	\$29,411	\$30,118	\$30,826	\$31,512
B	250	274	\$22,693	\$23,338	\$23,982	\$24,648	\$25,293	\$25,938	\$26,582	\$27,227	\$27,893	\$28,538	\$29,182

**Notes:** All step advancement requires a formal performance review, and the employee must at least meet performance expectations. Steps 2-6 are at annual intervals. Movement through Steps 2-6 is at one-year intervals; Steps 7-9 at two-year intervals; and Steps 10-11 at three-year intervals.

# Medical Plan Benchmarking

Medical	City of Stevens Point HSA-eligible CDHP	March 2012 Employer Sponsored HSA-eligible CDHP Midwest Region	March 2012 Services Industry HSA-eligible CDHP Midwest Region
Deductible	\$1,500 / \$2,500 Individual In/Out of Network \$3,000 / \$5,000 Family In/Out of Network	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$5,000 Family In/Out of Network	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$5,000 Family In/Out of Network
Coinsurance	100% In Network / 80% Out of Network	80% In Network / 60% Out of Network	80% In Network / 60% Out of Network
Maximum Out of Pocket	\$1,500 / \$3,000 Individual In/Out of Network \$3,000 / \$6,000 Family In/Out of Network	\$3,000 / \$6,000 Individual In/Out of Network \$6,000 / \$12,000 Family In/Out of Network	\$2,500 / \$5,000 Individual In/Out of Network \$5,000 / \$11,000 Family In/Out of Network
Office Visits (PCP)	100% after Deductible in Network 80% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network
Prescription Drug	100% after Deductible in Network 80% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network
Hospital Inpatient	100% after Deductible in Network 80% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network	80% after Deductible in Network 60% after Deductible Out of Network
Emergency Room	100% after Deductible in Network 80% after Deductible Out of Network	80% after Deductible in Network	80% after Deductible in Network
Average Health Plan Cost per EE per Year	\$16,822	\$11,026	\$12,042
Annual Health Savings Account Contribution	\$1,000 Individual \$2,000 Family	\$500 Individual \$1,000 Family (72% of employers used the account)	\$750 Individual \$1,500 Family (77% of employers used the account)
Employee Contribution Percentage	10% Individual 10% Family	31% Individual 54% Family	13% Individual 23% Family
Average Monthly Employee Premium Contribution	\$74.60 Individual \$202.20 Family	\$506 Individual \$461 Family	\$50 Individual \$234 Family

# Red-Circling in Practice

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- **Principle: Individual employee pay not reduced if above range**
  - Significant morale issue if cut pay
  - Should only cut pay if financially imperative
  - Savings come with turnover
- **Red-circling does not mean can't grant inflation adjustments**

# Appeals and Maintenance

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- **Appeals processed following plan adoption by City Council**
  - **Must be based on documentation**
  - **For changes in responsibilities**
  - **Missed items on documentation**
  - **Feel not classified correctly**
  - **Council policy decisions on market, implementation, and pay structure cannot be appealed**
- **Maintenance plan**
  - **Annual opportunity for classification review**
- **Periodic market review**

# Questions?

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