



ADMINISTRATION AND COMPENSATION OVERSIGHT COMMITTEE MEETING AGENDA

Wednesday, August 13, 2014 at 3:30 pm
Fire Station – Small Meeting Room
2258 Mill Road

For additional information check: www.sisterbaywi.gov

In order for everyone to hear the discussion please, turn off your cell phone. Thank you.

Call Meeting to Order

Roll Call

1	Dave Lienau		4	vacant
2	Pat Duffy			
3	Joann Clove, Citizen Member			<i>Finance Director – Juliana Neuman</i>
				<i>Administrator – Zeke Jackson</i>

Approval of the Agenda

Approval of minutes as attached

Comments and Correspondence

Discussion Items

1. Discuss and develop a policy for exempt and non-exempt position requirements. Consider a motion to the Board for Action.
2. Review and discuss Proposed Pay Scale. Consider a motion to recommend to the Board for Action.
3. Discussion on creating a PTO policy. Consider a motion to recommend to the Board for Action.
4. Matters to be place on a future agenda or referred to a Committee, Official or Employee

Adjournment

Public Notice

Questions regarding the nature of the agenda items or more detail on the agenda items listed above scheduled to be considered by the governmental body listed above can be directed to Village Administrator Zeke Jackson, at 920-854-4118 or at zeke.jackson@sisterbaywi.gov.

It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information; no action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aid at no cost to the individual to participate in public meetings. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible preferably a minimum of 48 hours. For additional information or to request this service, contact the Sister Bay Village Administrator at 854-4118, (FAX) 854-9637, or by writing to the Village Administrator at the Village Administration Building, 2383 Maple Drive, P.O.B. 769, Sister Bay, WI 54234. Copies of reports and other supporting documentation are available for review at the Village Administration Building during operating hours. (8 a.m. – 4 p.m. weekdays).

I hereby certify that I have posted a copy of this agenda at the following locations:		
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Name _____		Date _____

1 wayside when Bob Kufirin announced his retirement and attention became focused on planning for his
2 replacement.

3
4 Joanne Clove pointed out that carryover from year to year means that comp time may be paid out at a higher
5 rate than the one on which it was earned. Jackson suggested that comp time could be saved as a dollar amount
6 rather than as hours, so that the payout would correspond to the original earnings. He then asked Neuman if this
7 would be possible given our current payroll software. She replied that it can be done but will be more
8 complicated. Lienau suggested working off of a year-end dollar calculation to make the process simpler.
9 Neuman noted that the year-end dollar amounts are provided to the auditors each year for the annual financial
10 statements. Lienau asked whether the year-end total is a "funded" liability. Neuman replied that it appears on
11 the Utility books but not so for the Village, since government accounting standards are different. *[However, an
12 estimate is included in each year's budget for comp time expected to be paid out.]*

13
14 A discussion on the allowable comp time carryover led to a consensus that the maximum should be 2 weeks (80
15 hours). This could be phased in over two years, as the Personnel Committee had recommended last year.
16 Lienau reminded the group that any future PTO policy would have to take comp time into account.

17
18 On page 2 of the Personnel Handbook (Section 5) it states that "Paid leave time, other than compensatory time
19 shall count towards hours worked in a week. (Revised 10/02/07)" Neuman said that she had questioned this
20 practice in the past, and Jackson stated that this should be changed. A telephone survey of other Northern Door
21 municipalities revealed that 3 others pay overtime whether 40 hours have been worked or not, while 2 do not.
22 Jackson expressed his desire to control overtime worked wherever possible.

23
24 Lienau then pointed out a discrepancy on page 2. In Section 8 it states that "Employees who work in excess of
25 forty (40) hours per week may be compensated at a premium rate, straight time rate, or not at all depending on
26 their employment status and the provisions of the Federal Labor Standards Act (FLSA)." (*"Work" is the
27 operative word here.*) Jackson stated that he wants to rectify this discrepancy right away.

28
29 Section 9 of the Handbook (Compensatory Time Off) will require re-writing. For example, part D will no
30 longer apply.

31
32 Neuman suggested changing the carryover limit to be applicable throughout the year rather than only at year-
33 end. This would spread out the use of time off over more of the year. Lienau prefers an extended period during
34 the first 3 months of the new year when the workload is often lighter.

36 **3. Discussion on Leave Time benefits**

37 Lienau brought up the large dollar amount owed to employees who were 'grandfathered in' when the sick leave
38 policy limit was established. Upon retirement employees who have worked more than 20 years must receive (at
39 their then current hourly rate) 50% of their accumulated sick leave paid out in cash or applied to their health
40 insurance premiums (if continued). This liability is currently unfunded, although reported on the annual
41 financial statements. *[The Village's sick leave liability is currently \$21,932; for the Utility it is \$13,047.]*
42 Lienau suggested that this liability could be converted to PTO as part of a new policy.

43 **a. Sick leave report**

44 At the last meeting Neuman was asked to determine how many sick days the employees actually use during the
45 course of a year. Full-timers accrue one sick day per month and the average usage is 84%, or slightly more than
46 10 days per year. Travel to Green Bay to see a specialist probably accounts for a portion of this usage, and
47 employees are allowed to use sick leave to accompany family members to medical appointments as well.
48

49 **b. Short and long-term PTO policies**

50 Jackson distributed a survey entitled "Paid Time Off Programs and Practices" for the use of the committee. The
51 survey indicates that PTO policies are becoming increasingly more prevalent. He also provided an example of
52 short and long-term PTO from Duke University. The long-term PTO has no cash value as to pay-out at
53 retirement, but it does provide paid time off for long-term illness or caregiving of a family member. Another
54 option would be long-term disability insurance coverage (for employees under the age of 60).
55

1 **4. Discussion on Health and Dental Insurance benefits**

2 Neuman reported that 86.5% is the average contribution of municipalities in Northern Door County to health
3 insurance premiums for their employees. The Village had paid 90% up to this year, when a \$10,000 maximum
4 was imposed. Jackson asked where we want to stand in terms of the Northern Door average. The consensus
5 was that the Village should meet that average.

6
7 Jackson would also like to investigate offering a Health Savings Plan, and Neuman mentioned the possibility of
8 a Health Reimbursement Arrangement with a different provider.

9
10 Lienau asked whether the Village is required to provide health benefits to its employees. If not, could
11 employees get affordable premiums via the Affordable Care Act?

12
13 **5. Discussion on creating a policy to “grandfather in” certain benefits for existing employees**

14 There was general agreement that such a policy should be developed.

15
16 **6. Matters to be placed on a future agenda or referred to a Committee, Official or Employee**

17 --Neuman to provide copies of the 2013 Personnel Committee recommendations on comp time accrual.

18 --Are Health Care benefits required? What if employees had to use the Marketplace?

19 --Neuman to obtain rates from the Employee Trust Fund.

20 --Health insurance rates and HRA costs to be discussed when available. An HSA policy to be considered.

21 --Details on “grandfathering in” of current benefits to be developed at a later date.

22 --The next meeting will be held on Wednesday, August 13th at 3:30 PM to revisit the proposed payscale and
23 PTO possibilities and to draft recommendations to the Board.

24
25 **Adjournment**

26 *At 3:49 PM Duffy moved and Clove seconded that the meeting be adjourned. Motion carried.*

27
28 Respectfully Submitted,

29 

30 Juliana Neuman

31 Finance Director

32 Name: h:\files\active\agendas\finance\2014\2014_07\070902014 admin\comp minutes - approved version.docx Created: 5/21/2013 9:14 AM Printed:
33 8/11/2014 2:27 PM Author: Juliana Neuman Last Saved By: Juliana Neuman

VILLAGE OF SISTER BAY
Compensation ranges

<u>Position</u>	<u>Range</u>		
	<u>Low</u>	<u>Middle</u>	<u>High</u>
Administration			
Village Administrator	50K	60K	70K
Finance Director	40K	50K	60K
Administrative Assistant	30K	40K	50K
Clerk/Treasurer	14.00/hr.	16.00/hr.	18.02/hr.
Parks			
Manager	37,500	48,750	60,000
Maintenance	11.50/hr.	14.50/hr.	17.30/hr.
Seasonal Worker	7.25/hr.		12.00/hr.
Recreation Coordinator	11.00/hr.	12.50/hr.	14.00/hr.
Marina			
Manager			
Dockmaster			
Utilities			
Clerk	15.00/hr.	18.50/hr.	22.00/hr.
Manager	41,600	52,500	63,400
Assistant Manager	17.58/hr.	21.98/hr.	26.38/hr.
Operator	16.00/hr	20.00/hr.	24.00/hr



Short and Long Term PTO policy:

Benefits:

- PTO can be an attractive benefit for healthy employees because they are offered more vacation time under a PTO plan than they would be under a plan that differentiates sick leave and vacation.
- Theoretically, the employee will be honest in scheduling PTO in advance, allowing the company to plan around the absence, rather than "calling in sick" at the last minute.
- PTO is usually attractive to younger workers, who tend to rate work-life balance as an important source of job satisfaction.
- The flexibility of PTO plans aligns with the current trend in the United States of having more frequent but shorter vacations.[1]
- Tracking PTO is less onerous for management and employee than tracking personal, sick and vacation days.

Disadvantages

- At first glance, PTO may not be attractive for employers due to little direct advantage. This is because the employer pays the employee for time spent not working; thus, receiving nothing in return for the expense.
- Employees may tend to miss work more frequently, which can be seen as a drawback for the employers and lead to absenteeism. This can be offset by the employer establishing acceptable and unacceptable standards of unscheduled PTO (call-offs).
- If an employee has used all of his or her allotted PTO days yet becomes ill, he or she will most likely have to work while sick, which may result in lower productivity. In order to compensate for the lack of remaining PTO, he or she may also have to cancel a planned vacation, and take a financial loss.
- If PTO hours go unused, employees may sometimes call in sick near the end of the year so they can obtain the benefit of paid leave before it disappears. Employers may counter this tendency by paying employees for some or all of their unused days at year-end or upon retirement or resignation.[1]

Example

Duke University

Eligible health system staff receive time off in the form of Duke's PTO (Paid Time Off) program. Paid Time Off provides staff with more flexibility in scheduling time off to meet family needs and balance work and family life. It incorporates vacation, sick leave, holiday, and bereavement leave into one bank. The design of the PTO program is also intended to assist staff and the health system in managing staffing needs so as to meet Duke's operational needs.

Eligibility

Duke provides a PTO system for all Health System staff who are scheduled to work 20 or more hours per week. PTO is accrued but not used during the first 90 calendar days of employment (that is, during the Orientation and Evaluation Period). However, recognized holidays that occur during the Orientation and Evaluation period will be paid.

Usage

Health System staff have access to PTO accrual banks in the form of Short-Term, Long-Term and Carry Over Banks for the purpose of taking time off from work. PTO incorporates vacation, sick time, holiday, and bereavement leave into one program. Health System staff have the opportunity to accumulate time to be used for rest, relaxation, illness, personal, family needs, sellback (cash-out), or retirement.

Maximum and Minimum Accruals

Earned hours are deposited into the Short-Term Bank on each pay period. Any time saved in excess of 55 days (440 hours) is deposited into the Long-Term Bank. Time off can be for holidays, illnesses, vacations, or any other reasons as long as the time is accrued and scheduled with the supervisor. Staff may use a maximum of 55 days from the Short-Term Bank each year.

Pay for Unused Time

Payment for PTO is made at base pay on regular payroll dates. Upon termination of employment or death, unused accrued Short-Term Bank time is paid to the staff member or his or her estate. Upon retirement, unused accrued Short-Term Bank and, if you are age 55 or older, 100% of your Long-Term Bank will be paid to the staff member. Upon Layoff, accrued and unused Short-Term Bank and 50 percent of the Long-Term Bank will be paid.

Cash-Out

Every November, Health System staff have the opportunity to buy back hours not used from the Long-Term Bank at 50 percent of the staff member's base rate of pay at the time of cash-out.

This payment will be based on the staff member's base rate of pay as recorded in the payroll system (as of the date of the check).

Staff must complete an "Annual Request for Cash-out of Long-Term Bank Hours" form and return it to the Corporate Payroll Office by the assigned date.

Staff may call the Time Call System at 681-1011 to check on Long-Term Bank accrual balance.

Accrual

Accrual is based on years of service, monthly-salaried or hourly-paid status and hours worked.

No PTO is earned on overtime hours.

Payment

Payment of PTO time should be made at the staff member's regular rate of pay at the time of leave and should not include any premium or differential payment.

Scheduling Time Off

The supervisor and staff member schedule time off in accordance with existing work requirements.

Due consideration is given to personal preferences.

Other factors that may be considered in scheduling time off include department needs, the staff member's length of service, and the staff member's accrued amount of unused vacation/PTO.

Severe Weather and Emergency Conditions

If an hourly-paid staff member does not come to work, he or she may use accrued time from the Short-Term Bank.

Any absence incurred during a severe weather and/or emergency condition event will be considered as unscheduled time off.

COB for Hourly-Paid Staff

Hourly-paid staff who are eligible for retirement from Duke and have accrued time in the COB will receive either a normal or early reduced pension as provided in the Employees' Retirement Plan and will be eligible for the following:

At the time of retirement, an hourly-paid staff member's total, accumulated bank of unused Carry-Over-Bank hours will be calculated.

The total of unused Carry-Over-Bank hours will be used to adjust the hourly-paid staff member's credited years of service for benefit calculation.

This adjustment will be accomplished by taking the total number of these unused Carry-Over-Bank hours and converting them into additional-length-of-service credits that are then used to calculate the staff member's eventual retirement payment.

The exact method of computation of pension benefits and the conversion of unused Carry-Over-Bank hours into additional-length-of-service credits will be governed and defined by the Employees' Retirement Plan (ERP).

Bank Definitions and Usage Process

Short-Term Bank (STB) days are available for vacation, holiday, bereavement leave, and sick time. Staff may not use more than 55 days in a year.

When the Short-Term Bank (STB) is empty, Long-Term Bank (LTB) days can be used for family or personal illness time.

If a staff member accrues more than 55 days (440 hours) of paid time off, the excess goes into the Long-Term Bank (LTB) automatically. Staff may keep up to 120 days (960 hours) in their Long-Term Bank (LTB). No additional accruals will be applied until the Long Term Bank balance is below 120 days (960 hours).

Time in the Long-Term Bank (LTB) may only be used for personal or family medically-related reasons including illnesses, injuries, or medical emergencies for a staff member or his or her family members* (FMLA, Workers Compensation or Maternity). The Long-Term Bank (LTB) is the second bank from which PTO is taken and can only be accessed once the STB is depleted.

Once a year, staff will be given an opportunity to sell Long-Term Bank (LTB) time at 50 percent of their base rate of pay.

* A family member is defined as a child, spouse, registered same- sex partner, brother, sister, parent, parent-in-law, grandparent, or grandchild.

Carry Over Bank (COB) – This bank consists of earned time that was carried over from the University sick leave program when the DUHS PTO program was implemented in July 1999.

No additional time can be earned or transferred to this bank because of the new PTO program. Currently, this bank ensures that University staff who transfer to the Health System do not lose any of their earned sick time.