

FINANCE AND PERSONNEL COMMITTEE

A meeting of the Finance and Personnel Committee was called to order by Chair Penterman on Monday, April 14, 2025, at 6:57 pm.

Members present: Mayor Penterman, DeCoster, Kilgas, Moore, Schell, and Schumacher.

Also present: Ald. Eggleston, Ald. Thiel, Ald. Antoine, Attorney Greenwood, DPW/Eng. Neumeier, Police Chief Graff, HR Director Hodge, Mark. and Com. Manager Fencel (Zoom), Fin. Dir. Van Rossum, Fire Chief Carrel (Zoom), and interested citizens.

1. Correspondence.

None.

2. Discussion Topics.

a. Step Increase Process Change.

The process for step pay increases had changes that went into effect for 2025 based on a new structure for the time in a step and overall eligibility based on the annual review score. The 2024 Pay Schedule had several steps where the employee was only required to be in that step on the chart for 6 or 9 months before being eligible to move to the next step in the pay schedule. The 2025 Pay Schedule changed all but one to have a 12-month waiting period for time in a step before being eligible for the next step. This has resulted in twelve employees who would have been eligible in 6 or 9 months for an increase from the prior schedule now being delayed an additional 6 or 3 months, to meet the 12-month requirement for 2025. It is proposed to grandfather those affected by this change to step eligibility timing and to allow those to receive their 2025 step at the 6 or 9-month interval from their 2024 step date. Discussion held and questions answered.

Motion by Kilgas, seconded Moore to approve recommendation 1, that the affected employees (12) who were originally planned for a 6 or 9-month step increase be eligible at their date based on the 2024 timing. Pay rates will be updated with the original effective date, and any applicable retro pay will be calculated and paid for those who have dates that have passed and recommendation 2, that the affected employees (4) who did not receive the minimum 3.25 or 3.5 performance rating but where scores were still above 3.0 be given their 2025 step increase.

All members voted aye.

Motion carried.

b. Merit Incentive Program.

The Merit Incentive Program was proposed in 2024 to take effect in 2025 as a replacement for the Longevity Pay Program. The Merit Incentive was intended to reward high-performing employees with either additional paid time off or with an extra step pay increase. Through the review of the program and of the nominations received, it was determined by the review committee that the program had gaps in definition, criteria, and application as it was originally intended. The review committee agreed that it was appropriate to put the Merit Incentive Program on pause and to re-evaluate if the program should remain, and to reserve the funds originally budgeted for this program for future use. Discussion held and questions answered.

Motion by Moore, seconded DeCoster to recommend that the Longevity Incentive be paid in November 2025 in lieu of the Merit Incentive not being implemented in 2025.

Roll call vote: DeCoster - aye, Moore - aye, Schell - nay, Kilgas - nay, Schumacher - nay.

Motion failed.

c. 2025 Budget Amendment.

During the 2025 budget year, the city had earmarked \$510,000 to address the staffing assessment needs. The budget process at the time didn't allow for a comprehensive analysis of how the additional state-shared revenue should be allocated. Staff presented the committee of the whole on January 6, the staffing assessment result, as well as a recommendation for the staffing requests in the 2025 year to use the earmarked funds. Approval was granted at that meeting to add three firefighter-paramedics, one Police Officer, and a Summer Intern for Human Resources, and to restructure two part-time positions to full time at the Library.

Motion by Moore, seconded Schell to approve the 2025 budget amendment as laid out in the attached resolution.

All members voted aye.

Motion carried.

3. Adjourn.

Motion by Moore, seconded Kilgas to adjourn.

All members voted aye.

Motion carried.

Meeting adjourned at 7:36 pm.

Kayla Nessmann, Clerk