



## PERSONNEL & BENEFITS COMMITTEE

Tuesday December 5, 2017 @ 7:30 A.M.

### Memorandum

Present: Chair Barb Lamb, Committee Members Chuck Ford and Michael Shaver, Board Member Carl Mills, also in attendance were Utility Director Drew Williams, Controller Cindy Sheeks, Superintendent Scot Watkins, Collections Supervisor Aaron Strong, Administrative Assistant Maggie Crediford

Chair Barb Lamb called the meeting to order at 7:35 a.m.

#### **COMPENSATION STUDY REVIEW**

Drew Williams presented an updated spreadsheet showing the 2017 salaries of employees including new hires. He stated that the goal of the study was to identify employees who are at the bottom of their pay range and have not had much advancement over the years and bring those employees above the minimum of their respective pay ranges.

Barb Lamb stated that the total amount of money needed to get those employees to the minimum of their pay ranges is minimal. There are three employees that are at or below the minimum for their pay range.

Michael Shaver had questions and concerns about how the numbers in the study were derived. The External Market is the pay rate that WIS established with their study; the external minimum and maximum is 10% above and below the market rate. Ms. Lamb explained this is how compensation ranges are established in these studies.

Chuck Ford said that he is comfortable recommending that the Board increase the proposed budget to accommodate the increases needed to bring the three employees above the minimum of their new pay ranges.

On a motion made by Michael Shaver to move the three employees that are currently below the external minimum to the external minimum suggested in the spreadsheet.

Approved 3-0

Ms. Lamb suggested that since the original concern was that these employees were remaining low in their pay range, the Committee discuss moving these employees 10% above the minimum in their new range. The cost to the District would be approximately \$6600.

Carl Mills stated that the purpose of the study was to identify people at the bottom of their ranges and look at what they are being paid and to compare that to what the District can hire someone new in the same position costs today. He would like to see employees at the bottom of their pay ranges be brought up.

On a Motion made by Barb Lamb to add \$6600 to the budget to bring employees that are currently below the new minimum in their pay ranges to 10% above the range and seconded by Michael Shaver

Approved 3-0

Ms. Lamb asked if the proposed 1.5% or \$25000 currently budgeted for merit increases is enough.

Mr. Williams said that the 1.5% COLA increase is being eaten up by growing health insurance premiums. He stated that 2% would be a more comfortable number for him for merit increases.

Cindy Sheeks said that some employees will see a decrease in their paychecks due to the increases in health care coverage.

Mr. Mills said that the 2% merit increases could be accommodated in the budget.

Ms. Lamb suggested that they recommend that the Board approves a 3.5% increase plus \$6600 to the revised budget on Monday, December 11, 2017 at the meeting. The Committee agreed.

Mr. Ford suggested that the Budget and Finance Committee look at the long-term effects of rising insurance costs and consider flexibility in future budgets so that employees don't fall behind.

Mr. Shaver stated that the Board needs to be cautious because with the uncertainty in the health insurance industry costs could continue to increase each year and the District cannot be expected to cover those costs each year.

Mr. Mills said he is encouraged by the cooperation between the committees to work together to find the best use for the money the District has available. He agreed that the District cannot bear the entire increase in premiums each. The Board needs to protect the surplus the District has to ensure that they do not have to borrow money to cover costs.

The Committee decided that their next meeting would be in January.

Meeting adjourned at 8:35 a.m.

Respectfully submitted,



Andrew Williams  
Utility Director