

**VILLAGE OF
OREGON
WISCONSIN**

INCORPORATED 1883

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Pursuant to Wis. Stat. § 19.84, notice is hereby given to the public by the Chairperson of the Public Safety Committee, that the following meeting will be held:


Meeting:	Finance & Personnel Committee	Date:	Monday, April 29, 2024
Location:	Village Hall; 101 Alpine Parkway	Time:	5:00 PM

Note: Any person who has a qualifying disability as defined by the Americans with Disabilities Act that requires the meeting or materials at the meeting to be in an accessible location or format must contact the Village Clerk at (608) 835-3118, 101 Alpine Parkway, Oregon, Wisconsin, at least twenty-four (24) hours prior to the commencement of the meeting so that any necessary arrangements can be made to accommodate each request.

AGENDA

- 1) Call to Order.
- 2) Roll Call.
- 3) Approval of April 24, 2023 meeting minutes if correct, and correction of mistakes, if any (*staff recommendation: motion to approve as presented*).
- 4) Business (items are for discussion and / or possible action).
 - a) Employee performance evaluation system, policies, and procedures.
 - b) Employee benefits survey.
- 5) Adjournment.

Members: Tom Kirchdoerfer (Chairperson), Amanda Peterson, and Jason Mahnke.



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Pursuant to Wis. Stat. § 19.84, notice is hereby given to the public by the Chairperson of the Finance & Personnel Committee, that the following meeting will be held:

Meeting:	Finance & Personnel Committee	Date:	Monday, April 24, 2023
Location:	Village Hall; 117 Spring Street	Time:	6:00 PM

Note: Any person who has a qualifying disability as defined by the Americans with Disabilities Act that requires the meeting or materials at the meeting to be in an accessible location or format must contact the Village Clerk at (608) 835-3118, 117 Spring Street, Oregon, Wisconsin, at least twenty-four (24) hours prior to the commencement of the meeting so that any necessary arrangements can be made to accommodate each request.

MEETING MINUTES

- 1) Call to Order.
Chair Amanda Peterson called the Finance & Personnel Committee meeting to order at 6:06 p.m. on Monday, April 24, 2023.
- 2) Roll Call.
Present: Jason Mahnke & Amanda Peterson

Also Present: Village Administrator Martin Shanks, Chief of Police Jennifer Pagenkopf, Finance Director Lisa Novinska, & Village Clerk Candie Jones.
- 3) Approval of minutes from the March 27, 2023 meeting.
Mahnke moved, seconded by Peterson to approve the 03-27-2023 Finance & Personnel meeting minutes. Motion carried 2-0.
- 4) Business (items are for discussion and / or possible action).
 - a) Review draft employee handbook.
Peterson brought up former Chair Jenna Jacobson's suggestion of having a third-party oversee and conduct the Village Administrator's Performance Evaluation. Shanks recommended approving the evaluation as-is and working with a consultant to rehaul the Village's entire performance evaluation system.

Mahnke moved, seconded by Peterson to recommend approval to the Village Board of the draft handbook. Motion carried 2-0.
 - b) Review Police Department proposal for changes to the department's organizational structure.
Pagenkopf referenced and reviewed her memo dated 04-10-2023 provided in the packet of information.

Pagenkopf reviewed her top goals for upcoming budgets.

1. Competitive pay for sworn staff that are not in a collective bargaining agreement.
2. Additional Police Officer position in 2024 – this would help to implement a two-officer minimum at all times.
3. Restructuring the organization to add a second Lieutenant position.

Mahnke moved, seconded by Peterson to recommend to the Village Board the approval of Chief Jennifer Pagenkopf's recommendations related to adding staff/restructuring the Oregon Police Department as outlined in her memo dated 04-10-2023. The Committee would further like the Village Board to consider her recommendations during the 2024 budget cycle. Motion carried 2-0.

- c) Review draft financial policy handbook.
Peterson moved, seconded by Mahnke to recommend to the Village Board the approval of the DRAFT Financial Policy Handbook as presented. Motion carried 2-0.

- d) Future agenda items.

- 5) Adjournment.

Mahnke moved, seconded by Peterson to adjourn the Finance & Personnel Committee at 6:47 p.m. on Monday, April 24, 2023. Motion carried 2-0.

Members: Amanda Peterson (Chairperson), Jason Mahnke, and VACANT.

Submitted by,

Candie M. Jones
Village Clerk

MEMORANDUM

To: Village Board

From: Martin Shanks, Village Administrator

Date: April 29, 2024

Subject: Employee Performance Evaluations

Background

The Village Board adopted within its strategic plan last summer a goal to develop and adopt a Village-wide performance evaluation system and evaluate performance pay as a component of this system.

Performance evaluations can vary widely from organization to organization, but typically are a review of an individual's job performance and assigned duties over a defined period of time. They typically look at an employee's accomplishments, skills, and whether they are meeting a certain standard and applying a rating. They may also provide a conduit for corrective actions like performance improvement plans or punitive actions (e.g., discipline, up to and including termination). Conversely, they may provide a conduit for promotion opportunities or salary increases. Reviews are commonly conducted by a direct supervisor on a subordinate employee, but could include peer employee reviews, 360-degree reviews (i.e., employees evaluate supervisors), or self-assessments.

The Village does not currently have an active organizational-wide employee performance evaluation system. A comprehensive system was developed and put in place over 20 years ago, but over time became less consistently used. The last sporadic use of the system appears to have been between 2019 - 2021 by some departments. However, most departments had not used it for many years prior to that or were using it in a very limited, ad hoc, or significantly altered manner. Staff with knowledge and experience of this system have expressed to me that it was overly rigid, too formulaic, very time-consuming, and provided little value.

Parallel to this the Police Department and Library have developed and put in place formal performance evaluation policies and systems that they utilize within their departments, and which are designed with elements specific to their operations.

Performance evaluation systems have many common pervasive issues that are seemingly persistently vexing for any organization. These issues include appraiser bias, recency bias (i.e., evaluating based on what has happened recently), central tendency bias (i.e., everyone is rated average), fairness / consistency across supervisors, providing little or no perceived value for the effort, and processes that are resource intensive (i.e., time consuming).

These issues have created extensive experimentation to find new and better ways to do things over the last couple of decades across both public and private sectors. Some major corporations have gained media attention in recent years for eliminating evaluations entirely or converting them to substantially more informal systems. Technology solutions, such as software or cloud-based platforms, have also matured and offer a different tool to consider for documentation and tracking performance evaluations. These trends and different ways of thinking also further enforce that the Village's disused 20-year-old evaluation system is well out of date and irrelevant to more modern understanding and expectations.

Adaptive vs. technical challenge

Given the above nature of this work, the project, and the challenge it is addressing, at least initially, is much more of an adaptive challenge than a technical challenge. There isn't a well-defined best practice or solution with a well-trod path to get us there.

The end solution is much more difficult to identify, and technical expertise will not necessarily provide us with the answers, or even a set of viable options, at least early on in this process. Instead, the challenge is much more subjective and will rely on better understanding the values and vision of policymakers (this committee and the larger Board) for what's trying to be achieved through addressing this challenge. In turn, this needs to be balanced with the resources and insight of employees towards implementing and operationalizing those values and vision.

Manager / Supervisor Survey

To that end, earlier this year I conducted a survey of Village managers and supervisors (21 in total) regarding their thoughts and opinions on performance evaluations systems and performance pay. I have combined all the survey responses into one document, and it will be available for you on the Village Board's Shared Drive. Note that not all individuals responded to every question. Also, the survey did not require providing a respondent's name or department to help provide some anonymity, however for most responses it's relatively easy to assume the department they work for and in many cases the individual responding.

Given the nature of the questions and long-form, written responses it's difficult to extract objective takeaways or raw data points. Anyone reading through the responses will certainly develop their own key takeaways and summaries.

Generally, in my own unscientific, casual assessment of reading through each survey, there were four themes that stuck out to me, and seemed to be recurring, consistent sentiments of the responses:

1. A new system should not entail a one size fits all approach across departments and employees. Village departments and employee responsibilities vary widely in what they do and there should be some flexibility and nuance for capturing the uniqueness of that variety.
2. A new system should not be overly burdensome. It should be simple and not consume a lot of time.
3. Performance pay was generally viewed as unfavorable, and for those that did see it favorably most were uncertain of how it could be done feasibly.
4. There was generally a split in the responses regarding the desirability, feasibility, and value of 360 / peer / group reviews.

Administrator Recommendation

The committee may feel strongly about how best to proceed with this project, but considering all the above, the committee may understandably be unsure about what to do next.

It would be beneficial for the committee to review the information provided, have a discussion, and provide feedback on what it values and envisions for the organization as it relates to employee performance evaluations. This will help myself and staff better understand how we can be helpful in orienting this project towards those expectations.

Consultant

A potential option would be to enlist the services of a consultant to help navigate both this early discovery phase and eventual development of a policy and tool based upon those findings. Developing a high-quality performance evaluation system is an area of expertise that Village staff do not readily have, nor do staff have sufficient time to engage in the work on such a project at the level it deserves and needs.

However, due to the adaptive nature of this challenge, the committee and larger Board should understand that a consultant cannot answer what the Village envisions, values, and hopes to achieve from a new system. They can certainly facilitate finding that deeper understanding, but we need to be prepared to ultimately set those parameters, so a consultant can apply their technical knowledge and develop and deliver a tool that will meet those expectations. Otherwise, we will end up with a cookie cutter program that doesn't address our needs and inefficiently uses public resources.

To better orient committee members to the type of work and cost involved, for informational purposes, I have obtained a quote for services from the Village's compensation consultant, Carlson Dettmann, which also provides other human resources consulting services. Please see attached in the packet. The total cost of the project proposed is \$10,000 + reimbursable costs.

Priorities

Lastly, with the Village Board's recent discussion about a possible operational referendum, and if that initiative proceeds, then it may be advisable to discuss how this project may fit into the work and timing of that priority.

Human Resources Management

Goal	Timeframe
Develop and adopt Village-wide employee performance evaluation system; evaluate performance pay component.	18 months
<i>Description</i>	
<p>The Village does not currently have an active organizational-wide performance evaluation system for employees. The Village most recently worked on and put in place such a system over 20 years ago, but over time became less used until it fell into irrelevancy. A modern employee performance system can create better accountability up and down the organization, ensuring employees are recognized for their performance. With the adoption of the Village-wide compensation plan in 2022, the Village could also consider adding a performance pay component to the plan.</p>	
Review employee benefits, conduct employee survey, and implement desired / feasible changes.	18 months
<i>Description</i>	
<p>The Village provides a number of employee benefits, but has not comprehensively reviewed its benefits package recently. The landscape for employee recruitment and retention has changed significantly for local government over the last 10 – 20 years, and the benefits that employees care about are also shifting. A modern, competitive benefits package can help recruit and retain highly qualified employees.</p>	
Add the following four priority staff positions between the 2024 and 2025 budgets: 2 Police Department, 1 Public Works, and 1 Library.	24 months
<i>Description</i>	
<p>The Village continues to grow in population and with it comes greater demands for public services. With limited resources to fund increases in ongoing expenses, the Village must strategically prioritize and target services in need of additional staffing. The four positions identified will be prioritized during the Village’s budgeting process for 2024 and 2025. While unlikely, if it’s feasible to do so, the following positions will also be considered after the first priorities listed: 2 Public Works, 1 Police, and 1 Village Hall.</p>	
Develop Village-wide volunteer policy.	6 – 12 months
<i>Description</i>	
<p>The Village completed a comprehensive review and update to its Employee Handbook in 2023. During that process some departments noted that having a uniform Village-wide policy on the use and management of volunteers would be helpful to provide more consistency and clarity to their operations while better managing risk.</p>	

Parks and Recreation

Goal	Timeframe
Complete the Five Year Comprehensive Outdoor Recreation Plan (in progress)	6 months
<i>Description</i>	
<p>The Village is currently underway with an update to its five-year comprehensive outdoor recreation plan. The plan is expected to be completed and adopted at the end of 2023 or beginning of 2024. The plan prioritizes improvements to the Village’s park system and ensures the Village remains eligible for grant funding opportunities.</p>	
Complete Jaycee Park Phase II Project	18 months
<i>Description</i>	
<p>This major park redevelopment project has been planned and designed by the Village for over fifteen years. The final scope of the project was split into two phases in 2022 due to cost. Phase I has been mostly completed with the concession stand currently under construction. Phase II includes additional athletic fields, playground equipment, and other amenities.</p>	

PROFESSIONAL SERVICE AGREEMENT BETWEEN
VILLAGE OF OREGON, WI
AND
CARLSON DETTMANN CONSULTING

This professional service agreement (hereinafter the "Agreement") is made and entered into by and between THE Village of Oregon, WI (hereinafter "the Client") and Carlson Dettmann Consulting, a division of Cottingham & Butler Insurance Services, Inc., an Iowa corporation (hereinafter "Consultant").

WHEREAS, The Client wishes to enter into an agreement with Consultant to provide professional consulting services for development of an enhanced performance management system; and,

WHEREAS, Consultant has an established history of providing similar services to private and public employers, and is willing to provide the above-referenced professional consulting services to the Client.

THEREFORE, the Client and Consultant agree to the following:

1. Term. The term of this Agreement shall be from the date of the last signature of this Agreement and remain in force until all services are contemplated hereunder are completed.
2. Scope of Services. The Consultant shall provide to the Client consulting services as follows:
 - a. Review current performance evaluation system to determine opportunities for enhancements or changes.
 - b. Conduct a survey of all employees.
 - c. Discuss current performance evaluation system and survey results with key stakeholders.
 - d. Work with leadership to identify organizational performance values and establish performance standards.
 - e. Develop the measurement tool and implementation process.
 - f. Review tool and process with leadership.
 - g. Provide training to staff on the process, tools and methods for maximizing the performance development discussions.
 - h. Provide leadership training to include the following:
 - i. The basics of how to appropriately prepare for and conduct a performance evaluation meeting.
 - ii. Identify common errors made by evaluators during the evaluation process and provide suggestions on how to avoid errors made during the process.
 - iii. Provide guidance and suggestions on how to handle difficult employee evaluations and conversations.
 - iv. Provide basic preliminary education on Goal Setting.
 - i. Assess progress at the completion of the first year review cycle.
3. Job Documentation and Compensation Information. The Client shall provide Consultant with current performance evaluations and any additional details necessary to complete this project.

4. Base Project Fee. Unless noted elsewhere, the project fee includes those items identified in the Scope of Services. The Client shall pay the Consultant a project price of \$10,000, plus expenses, to conduct this project.
5. Payment. Consultant shall submit invoices in four (4) equal installments of \$2,500. The first installment will be invoiced with the commencement of the work, the second and third installment will be invoiced in the second and third months of the project and the final installment shall be due upon submission of Consultant's final findings and recommendations. Expenses shall be invoiced monthly.
6. Performance Requirements of Consultant. The Consultant shall complete the services as stated above. The Consultant shall furnish all labor, materials, administration, services, supplies, equipment, transportation, and quality control necessary to provide professional consulting services. Consultant shall provide progress reports upon request by the Client.
7. Performance Requirements of Client. The Client shall provide and make available to the Consultant access to its human resources and related systems of record as necessary to fulfill said services.
8. Independent Contractor. It is mutually understood and agreed, and it is the intent of the parties hereto, that an independent contractor relationship be and is hereby established under the terms and conditions of this Agreement. The Consultant shall remain an independent contractor under this Agreement. All employees of Consultant or subcontractors shall remain the responsibility of the Consultant and shall not become employees of the Client under this Agreement. No tenure or any rights or benefits, including worker's compensation, unemployment insurance, medical care, sick leave, vacation leave, severance pay, withholding taxes or other benefits available to Client employees shall accrue to the Consultant or its employees performing services under this Agreement.
9. Indemnification. The Consultant agrees it shall defend, indemnify, and hold harmless the Client, its officers, and its employees against any and all liability, losses, costs, damages, and expenses, including attorney fees that the Client, its officers or its employees, may hereafter sustain, incur or be required to pay arising out of the negligent or intentional acts or omissions of the Consultant, its officers or employees, in the performance of its duties under this Agreement. The Client agrees it shall defend, indemnify, and hold harmless the Consultant, its officers, and its employees against any and all liability, losses, costs, damages, and expenses, including attorney fees that the Consultant, its officers or its employees, may hereafter sustain, incur or be required to pay arising out of the: (i) negligent or intentional acts or omissions of the Client, its officers or employees; and (ii) any allegation that Client's compensation program or structure is administered in any way noncompliant with local, state or federal law.
10. Trade Secrets. The Carlson Dettmann Point Factor Job Evaluation System and methodology, marketplace surveys performed, Total Rewards Method, and job point evaluation data collected and analyzed to perform the Scope of Services is owned by Consultant, is confidential and proprietary, and is a trade secret pursuant to Wis. Stats. s. 134.90. The Client (including its officers, employees, agents and representatives) shall not disclose, disseminate, or otherwise misappropriate these trade secrets without the express consent of Consultant.
11. Confidential Client Information. Consultant agrees to keep confidential information and data provided by Client to Consultant for the purpose of enabling Consultant to complete the Scope of Work detailed above.
12. Assignment. Client may not assign or transfer this Agreement, or any part thereof, without the written consent of the Consultant, which shall not be unreasonably withheld.

13. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of the Agreement. The remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance.
14. Interpretation of Law. This contract is to be interpreted under the laws of the Wisconsin.
15. Entire Agreement. This Agreement sets forth the entire understanding of the parties and supersedes all prior arrangements and/or understandings, whether written or oral, with respect to the subject matter contained in this Agreement.

CLIENT

By:

Date:

CARLSON DETTMANN CONSULTING, a division of COTTINGHAM & BUTLER
INSURANCE SERVICES, INC.

By:

Date:



MEMORANDUM

To: Village Board
From: Martin Shanks, Village Administrator
Date: April 29, 2024
Subject: Employee Benefits Survey

Background

The Village Board included an objective in its strategic plan last summer to conduct an employee survey regarding employee benefits offered by the Village.

The Village's employee benefits package hasn't been reviewed comprehensively recently to ensure its meeting the satisfaction of employees, while balancing Village resources and the values of Village policy makers. A high quality, modern, and competitive benefits package is important for the recruitment and retention of qualified employees, who in turn provide high quality public services to residents.

Benefits can mean many things and include typical programs such as health insurance, dental insurance, life insurance, disability insurance, retirement, and flex spending. It also includes time off and leave programs such as vacation, sick time, compensatory, holidays, and bereavement. Other benefits or similar workplace culture policies, include the employee assistance program, flex scheduling, overtime policies, lactation policies, leaves of absence, career development and training, remote work, and accommodations for employee family obligations.

Administrator Recommendation

This item is on the agenda to provide a status update and plan of action to verify acceptability with the committee.

My intention is to develop and conduct the survey internally over the coming months using an online platform such as Google Forms or SurveyMonkey, with generally two different sets of questions:

- Rating the satisfaction of each existing benefit program and policy. For example, "Please rate the quality of the following employee benefit programs: health insurance, dental insurance, etc..." "Please rate the quality of the following time off programs: vacation, holiday, sick leave, etc" The questions would include scale options for each program / policy such as excellent, good, fair, and poor. An opportunity to write in any comments, suggestions, opinions, and feedback would also be included. See example on the following page.
 - Another set of questions will be predominantly designed to gather written responses to specific questions, or have a limited choice response (yes / no), such as: are there any benefits the Village
-

does not currently offer that you wish it did, what changes would you suggest to current employee benefits, what wouldn't you change, were the Village's benefits an important reason you applied for a job with the Village, and are the Village's benefits one of the reasons you stay with the Village. Final questions are to be determined.

In summary, the questions will be designed to capture how we are doing, what's going well, and what could be better.

While my intention is to create and conduct the survey internally, if the committee desires to be more involved in the effort, such as reviewing and approving the survey before publishing it to staff, please advise. I do intend to seek feedback and input from department heads on the survey before publishing.

If there are any further questions or directions, please advise. The results of the survey will be shared with the committee to review and determine if any possible actions should be taken based on the outcome of the survey.

Example rating questions (not final, for illustrative purposes only):

Please rate the quality of the Village's employee benefit programs.

	Excellent	Good	Fair	Poor
Health Insurance / Pharmacy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental Insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Life Insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Income Continuation Insurance (Disability)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wisconsin Retirement System	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deferred Compensation Plans (Retirement)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Section 125 Plan (Flex Spending)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee Assistance Program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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