

*****ATTACHMENTS*****

II

R. O. No. - 17 - 18. By CITY CLERK. December 4, 2017.

Submitting a request from the Village of Kohler ("Village") for City of Sheboygan approval to construct improvements to the City's portion of Union Avenue and for approval to connect the proposed Aurora development to city water and sanitary sewer mains.

*Finance
Personnel*

CITY CLERK



CLERK-TREASURER
920-459-3873

PUBLIC WORKS
920-459-3881

FAX: 920-459-5668

319 HIGHLAND DRIVE
KOHLER, WISCONSIN 53044
www.kohlevillage.org

November 30, 2017

*Via e-mail: mayor.vandersteen@sheboyganwi.gov
and US mail*

The Honorable Michael J. Vandersteen, Mayor
CITY OF SHEBOYGAN
828 Center Avenue
Sheboygan, WI 53081

Re: Village of Kohler ("Village") Request for City of Sheboygan ("City")
Approval to Construct Improvements to The City's Portion of Union
Avenue and for Approval to Connect the Proposed Aurora Development
to City Water and Sanitary Sewer Mains

Dear Mayor Vandersteen:

This is a follow-up to our November 16, 2018 meeting that included representatives from Aurora Health Care, Inc. ("Aurora") the Village, City, Town of Sheboygan ("Town") and Sheboygan County ("County"). Aurora presented this group of local officials with a Conceptual Submission dated November 9, 2017 for the development of the Aurora Medical Center Sheboygan County ("the Aurora Development") The Aurora Development is proposed to consist of a three level, 420,000 square foot in-patient/out-patient medical complex. A copy of the Conceptual Submission is attached.

The Aurora Development is to be located on approximately 57 acres of land that Aurora intends to lease from the Kohler Co. located north of Union Avenue between I-43/Campus Drive on the west and Taylor Drive on the east.

Municipal jurisdiction of the Union Avenue right-of-way and its intersection at Taylor Drive is shared by the Village, City, Town and County. Approximately the north half of Union Avenue is located in the Village and parts of the south half are located in the City and parts are located in the Town. The intersection of Union Avenue at Taylor Drive is under County jurisdiction. The Village seeks to initiate the multi-jurisdictional review and approval of proposed upgrades to Union Avenue and the Taylor Drive intersection in order to facilitate the safe and orderly development of this area to support the Aurora Development.

In addition, the City, Village and County, pursuant to a 2015 Water Main Conveyance Agreement, approved the extension of a twelve-inch (12") water main in Union Avenue and Campus Drive to provide greater water pressure to the UW Campus which is owned

The Honorable Michael J. Vandersteen
November 28, 2017
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by the County and located north of the proposed Aurora Development. The County and the City through the Sheboygan Water Utility (the "SWU") shared the construction cost for this twelve-inch (12") water main. The County built the twelve-inch (12") water main and upon completion conveyed ownership to the SWU for operation as part of the City's water supply system.

The 2015 Water Main Conveyance Agreement provides that future connections to this water main for development located in the Village is subject to the prior written consent and approval of the Common Council of the City. Therefore, the Village seeks consent and approval of the Common Council to connect the Aurora Development to the twelve-inch (12") water main located in Union Avenue and Campus Drive and operated by the SWU.

With respect to wastewater treatment services for the Aurora Development, the Village transmits its wastewater from its sanitary sewer collection system to the Sheboygan Wastewater Treatment Plant ("WWTP") for treatment pursuant to the 1975 Joint Sewage Treatment Agreement, as amended. The Village seeks consent and approval from the City to authorize the Aurora Development to discharge its wastewater to the City's WWTP for treatment.

Please consider this letter to be the initial formal Village request for City approval to construct improvements in the City's portion of the Union Avenue right-of-way and for approval to provide the Aurora Development with water and sanitary sewer services. We recognize that the requested approvals involve complex multi-jurisdictional and technical review.

We look forward to working with all interested parties to ensure that the public infrastructure required and approved for the Aurora Development is planned, designed, constructed and operated for the benefit of the entire Sheboygan community.

Very truly yours,



Thomas R. Schnettler, President
Village of Kohler

ec: See attached email distribution list

E-mail Distribution List

City of Sheboygan

Darrell Hofland, City Chief Administrator (darrell.hofland@sheboyganwi.gov)
Susan Richards, City Clerk (SRichards@ci.sheboygan.wi.us)
Chuck Adams, City Attorney (charles.adams@sheboyganwi.gov)
David Biebel, City Director of Public Works (David.Biebel@sheboyganwi.gov)
Joe R. Trueblood, Sheboygan Water Utility Executive Director
(joetrueblood@sheboyganwater.org)

Town of Sheboygan

Daniel W. Hein, Town Chairperson (dan@townofsheboygan.org)
Cathy Conrad, Town Clerk (cathy@townofsheboygan.org)
William Blashka, Town Director Public Works (williamblashka@townofsheboygan.org)

County of Sheboygan

Thomas G. Wegner, County Board Chairperson
(Thomas.Wegner@SheboyganCounty.com)
Adam N. Payne, County Administrator (adam.payne@SheboyganCounty.com)
James TeBeest, County Director Building Services
(jim.tebeest@SheboyganCounty.com)
Greg Schnell, County Transportation Director (greg.schnell@sheboygancounty.com)

Village of Kohler

Laurie Lindow, Village Clerk, Treasurer (llindow@kohlervillage.org)
Brett Edgerle, Village Director of Public Works (bedgerle@kohlervillage.org)
Michael J. Bauer, Village Attorney, (mike.bauer@hopplaw.com)

Aurora Healthcare Inc.

Jason Neitzel, Aurora Director of Construction (Jason.neitzel@aurora.org)

Mortenson Construction

Kurt Theune, Mortenson Construction Executive (kurt.theune@mortenson.com)

HGA, Inc.

Nicholas Burris, Project Architect (Nburris@hga.com)

Graef Civil Engineers

Steven Fisco, Graef Project Engineer (steven.fisco@graef-usa.com)



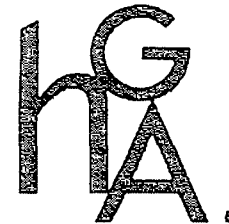
Aurora Health Care®

AURORA MEDICAL CENTER SHEBOYGAN COUNTY

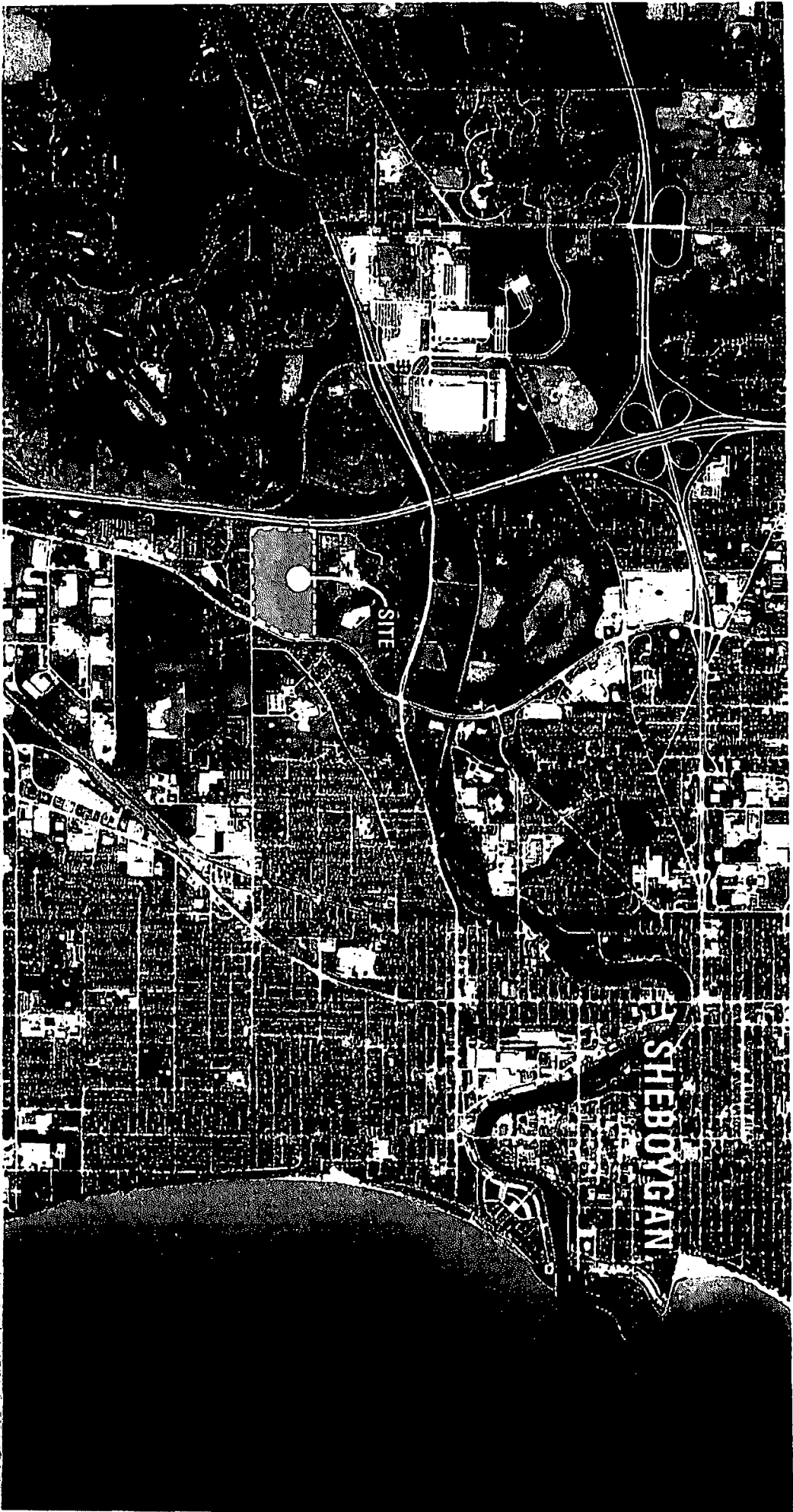
Village of Kohler Conceptual Submission
November 9, 2017

Project Team

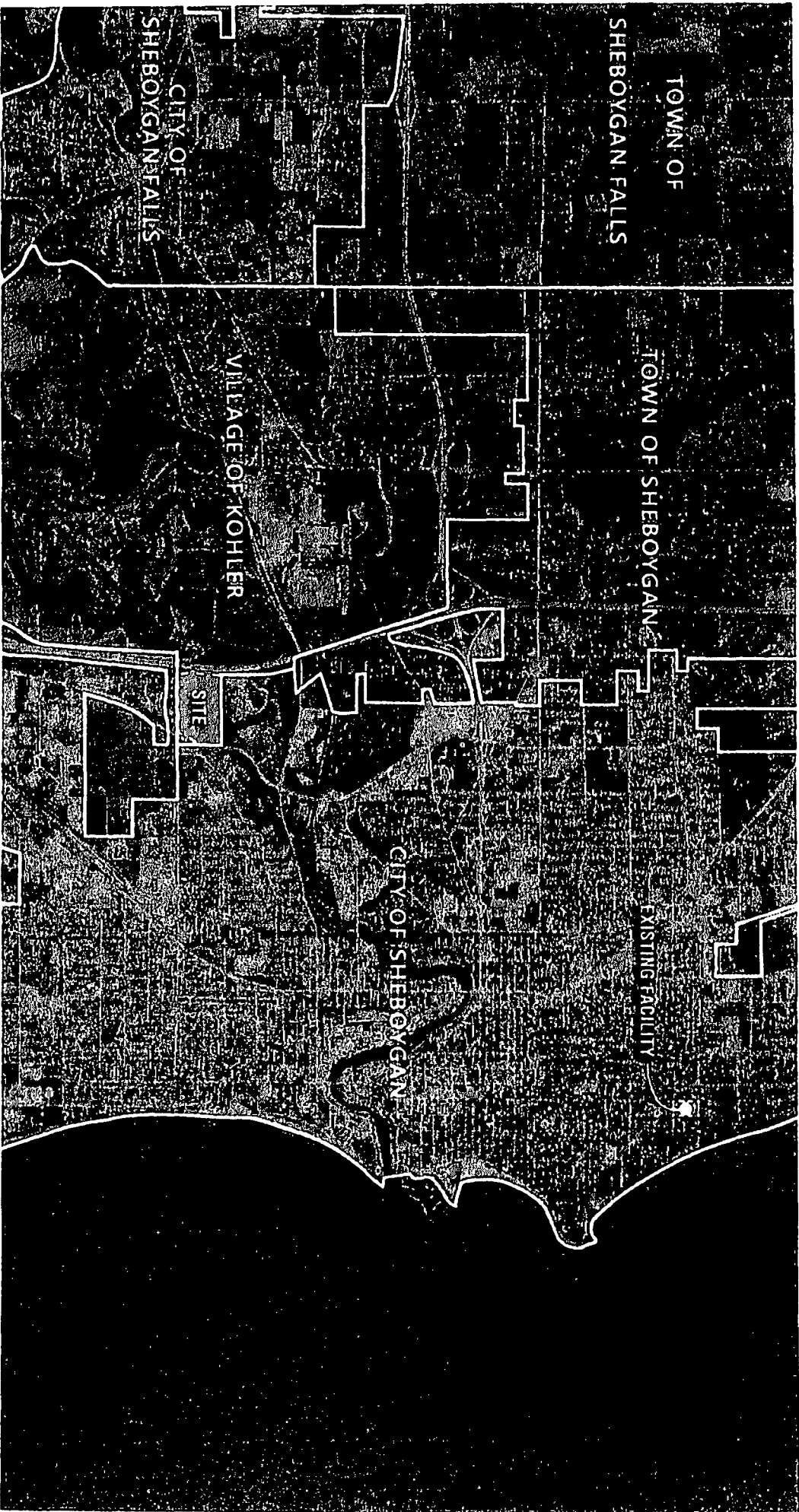
- ▶ Client: Aurora Health Care
- ▶ Design Builder: Mortenson Construction
- ▶ Architect and Engineer of Record: HGA
 - ▶ Civil Engineer: GRAEF



Existing Site Conditions



SITE ANALYSIS



ADJACENT MUNICIPALITIES SITE ANALYSIS



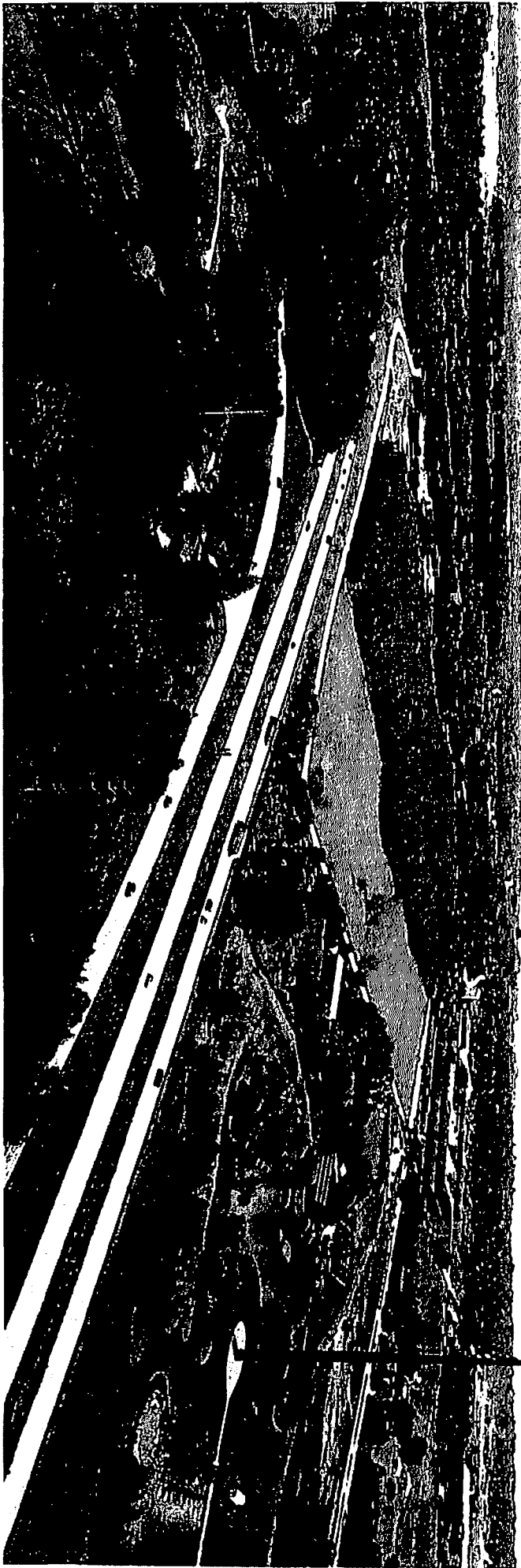


SITE ANALYSIS

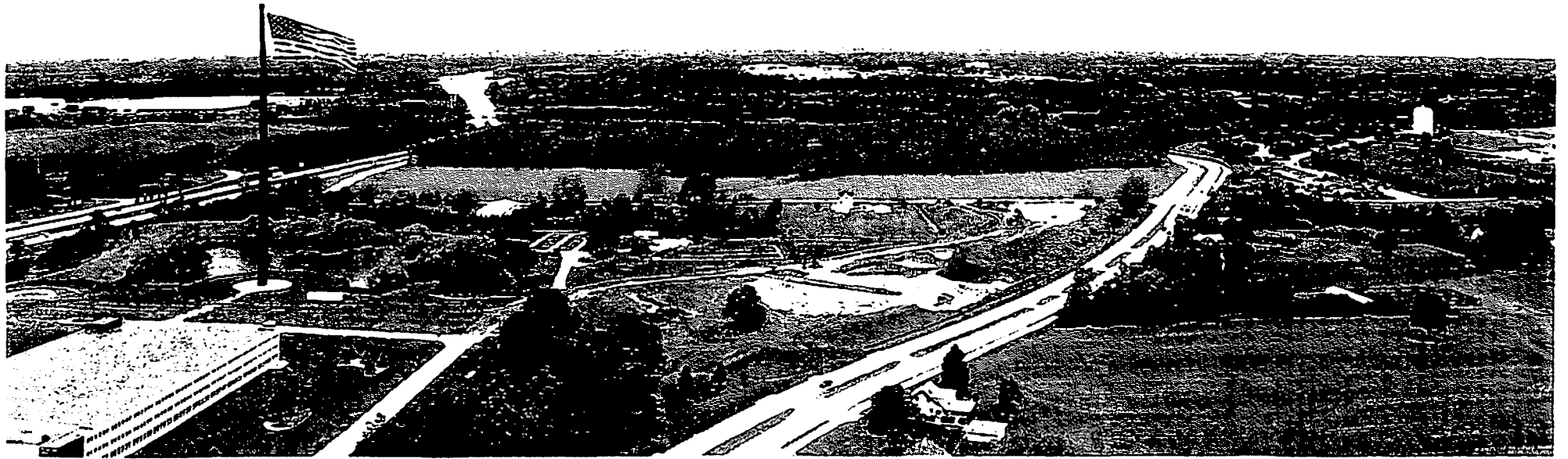


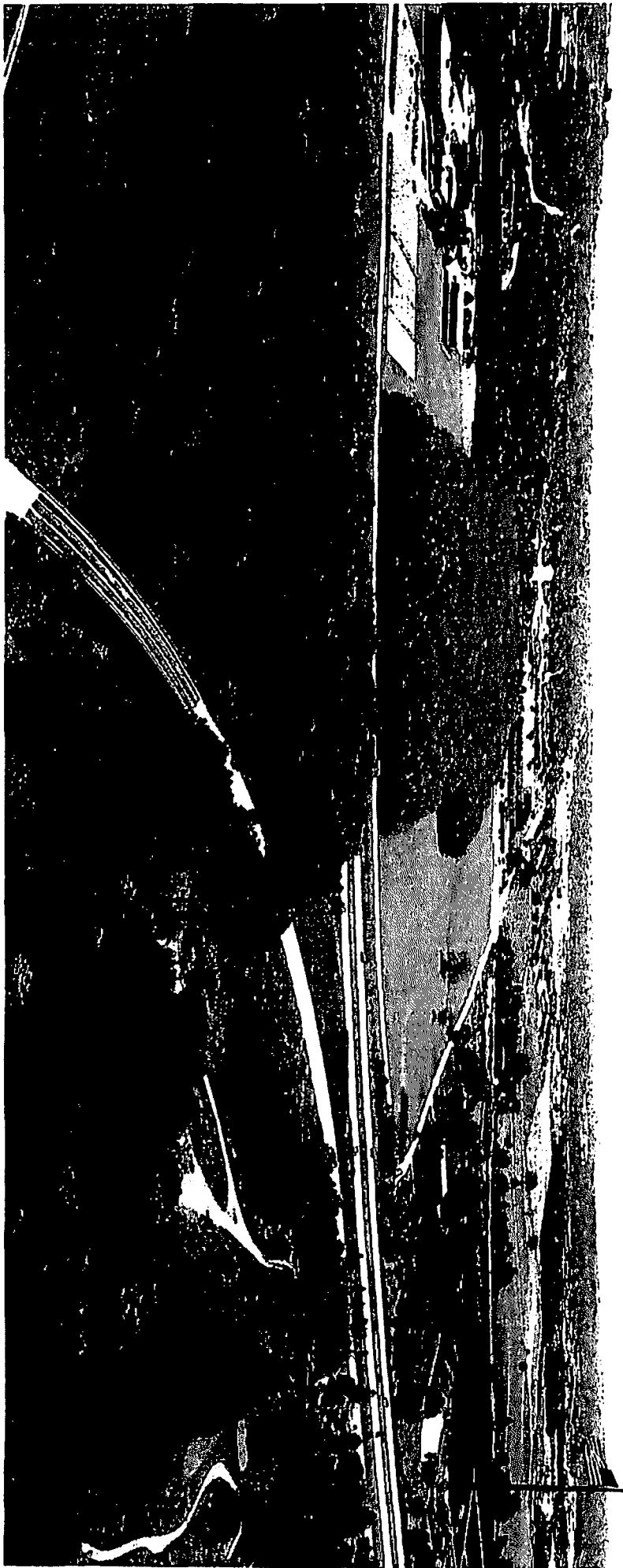
SITE CONDITIONS SITE ANALYSIS

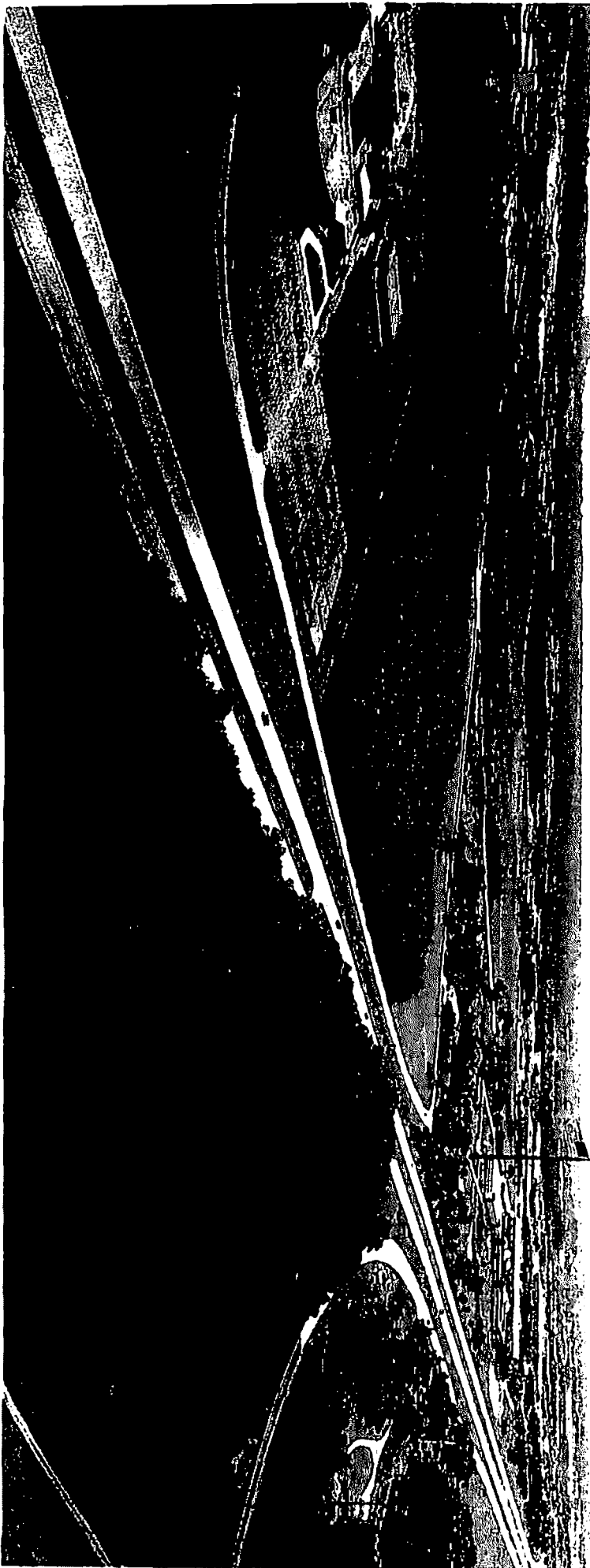
Aerial Photos



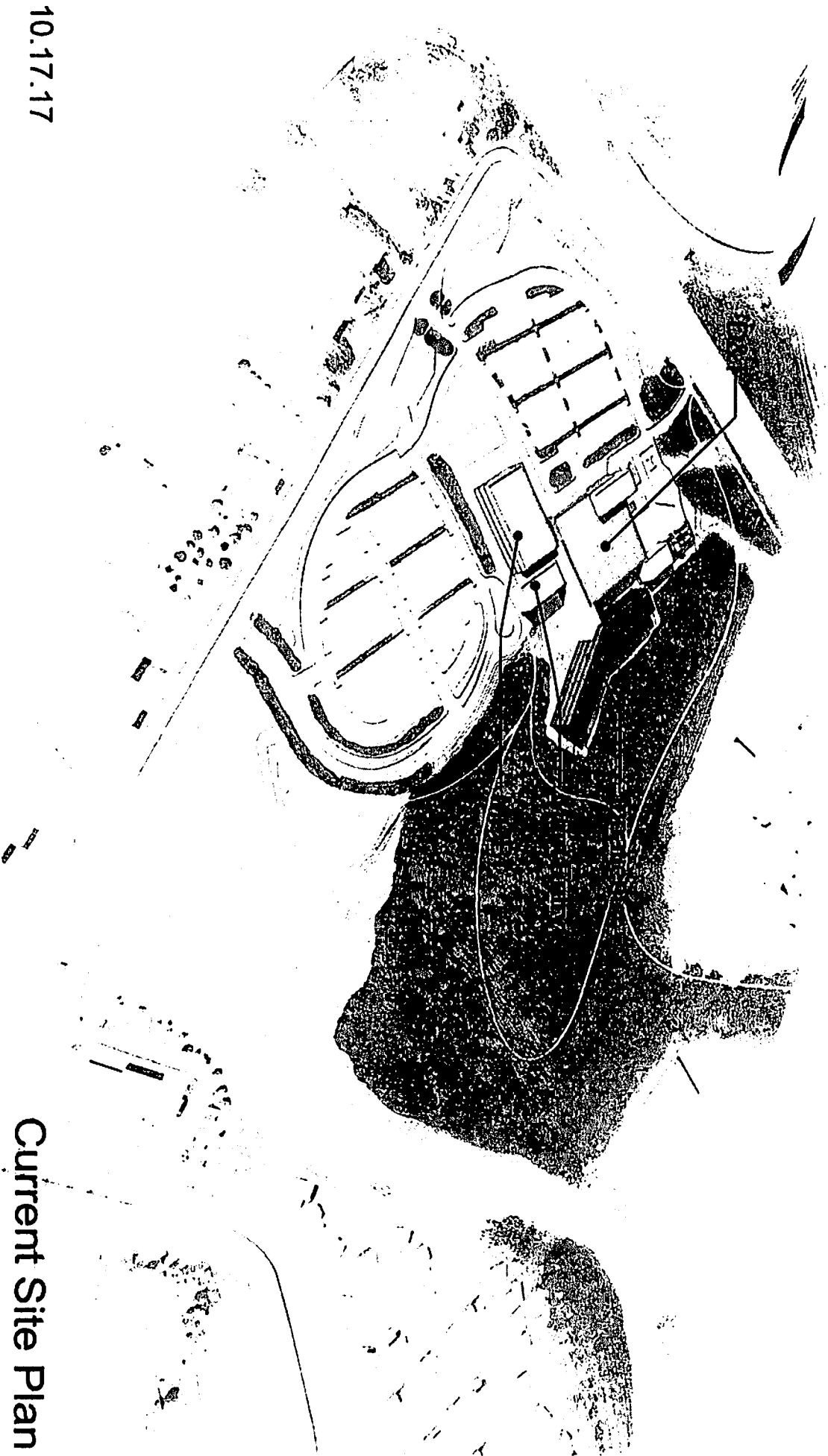








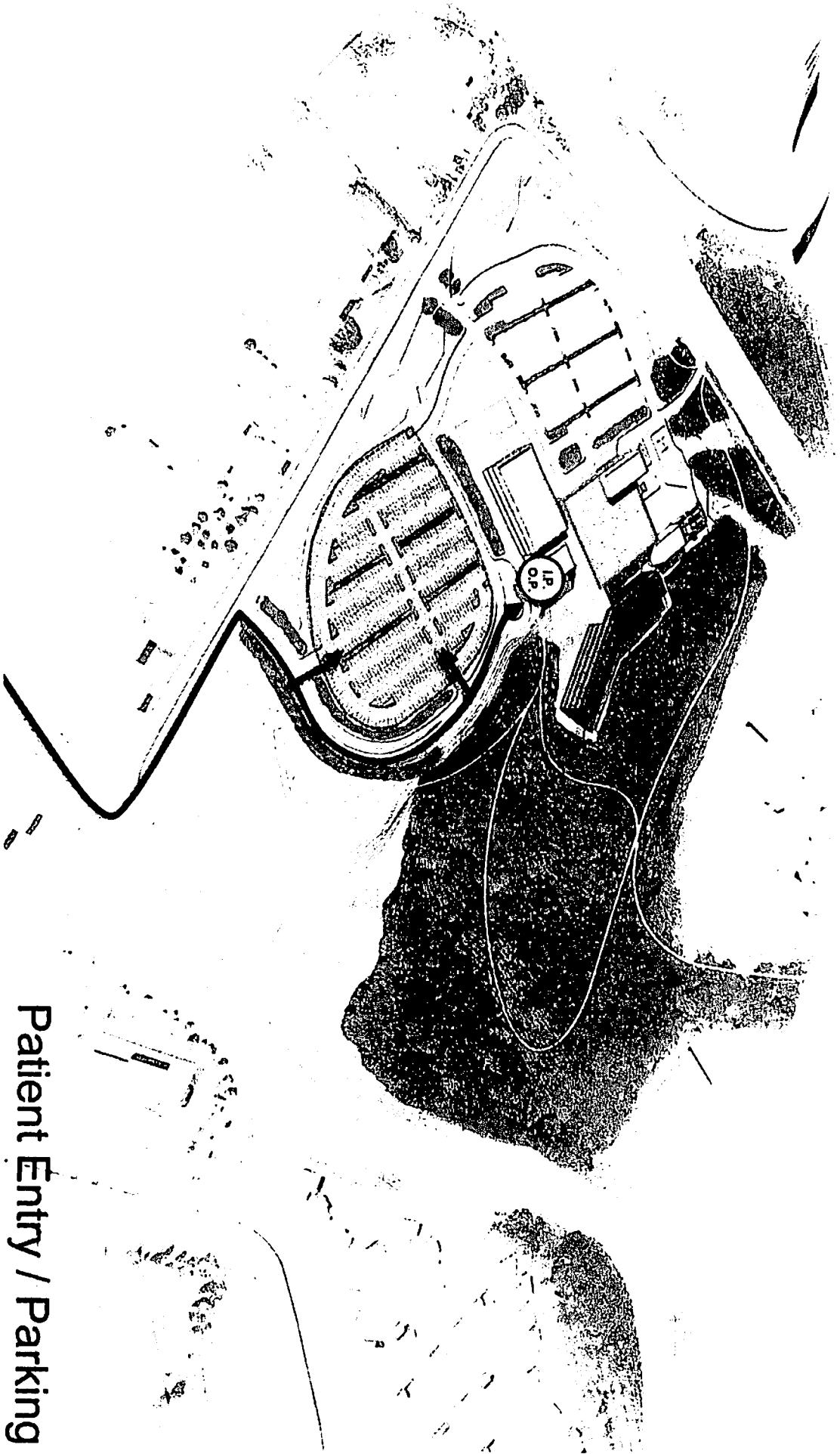
Site Plan Concept



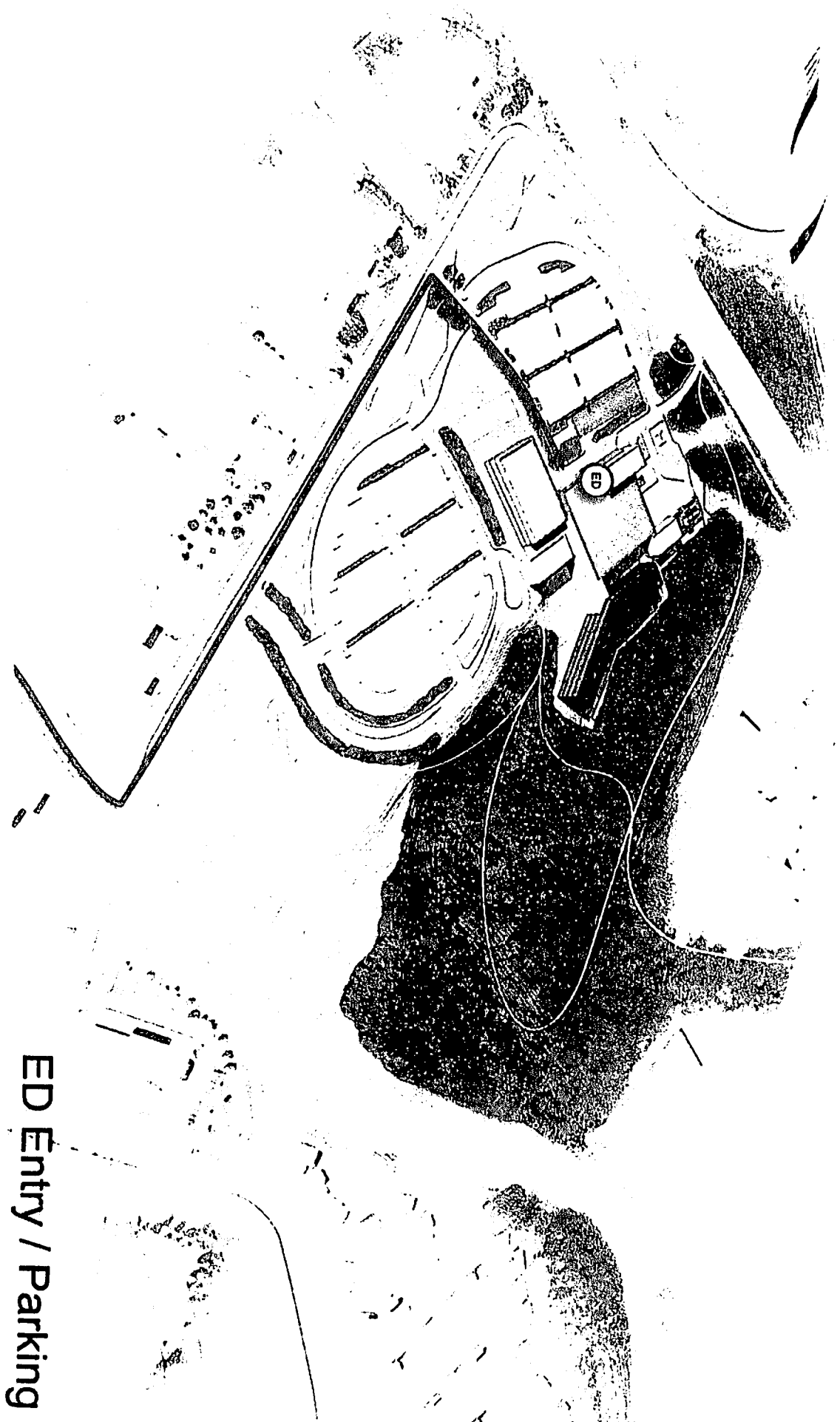
10.17.17

Current Site Plan

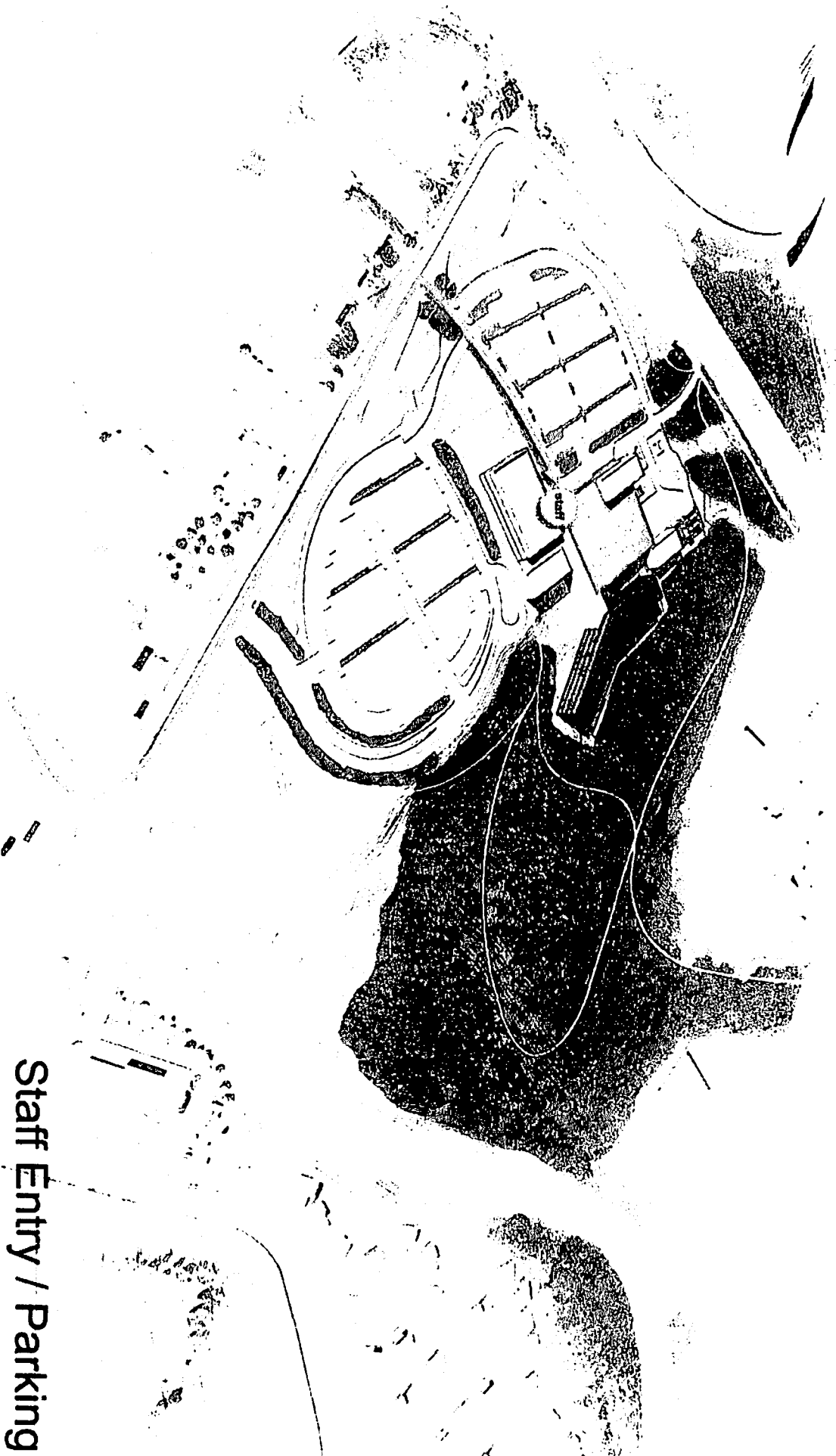
Circulation Diagrams



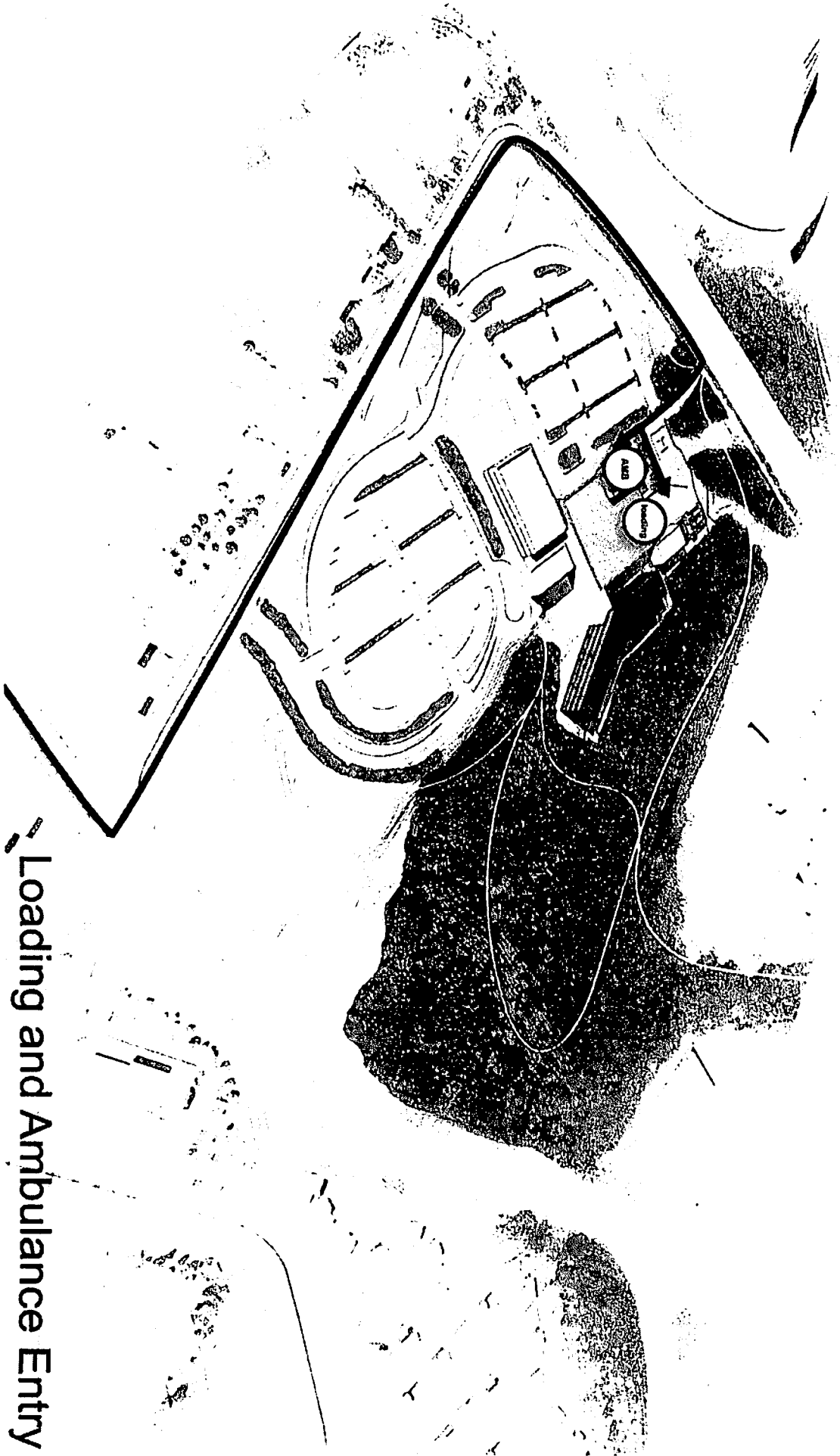
Patient Entry / Parking



ED Entry / Parking

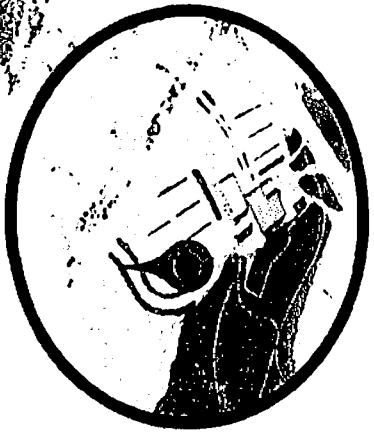


Staff Entry / Parking

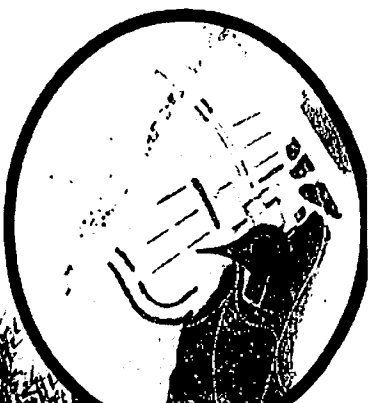


Loading and Ambulance Entry

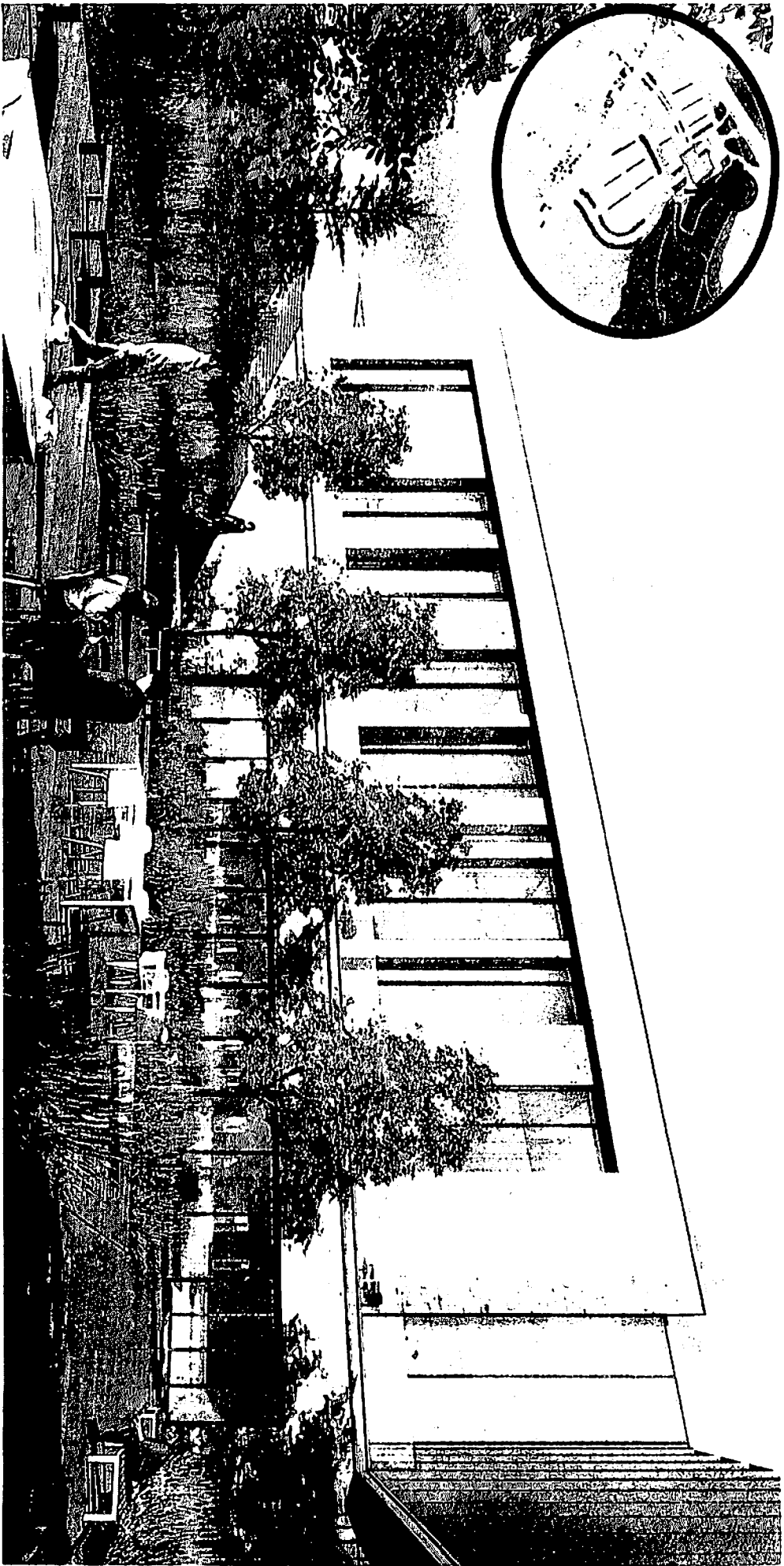
Exterior Renderings



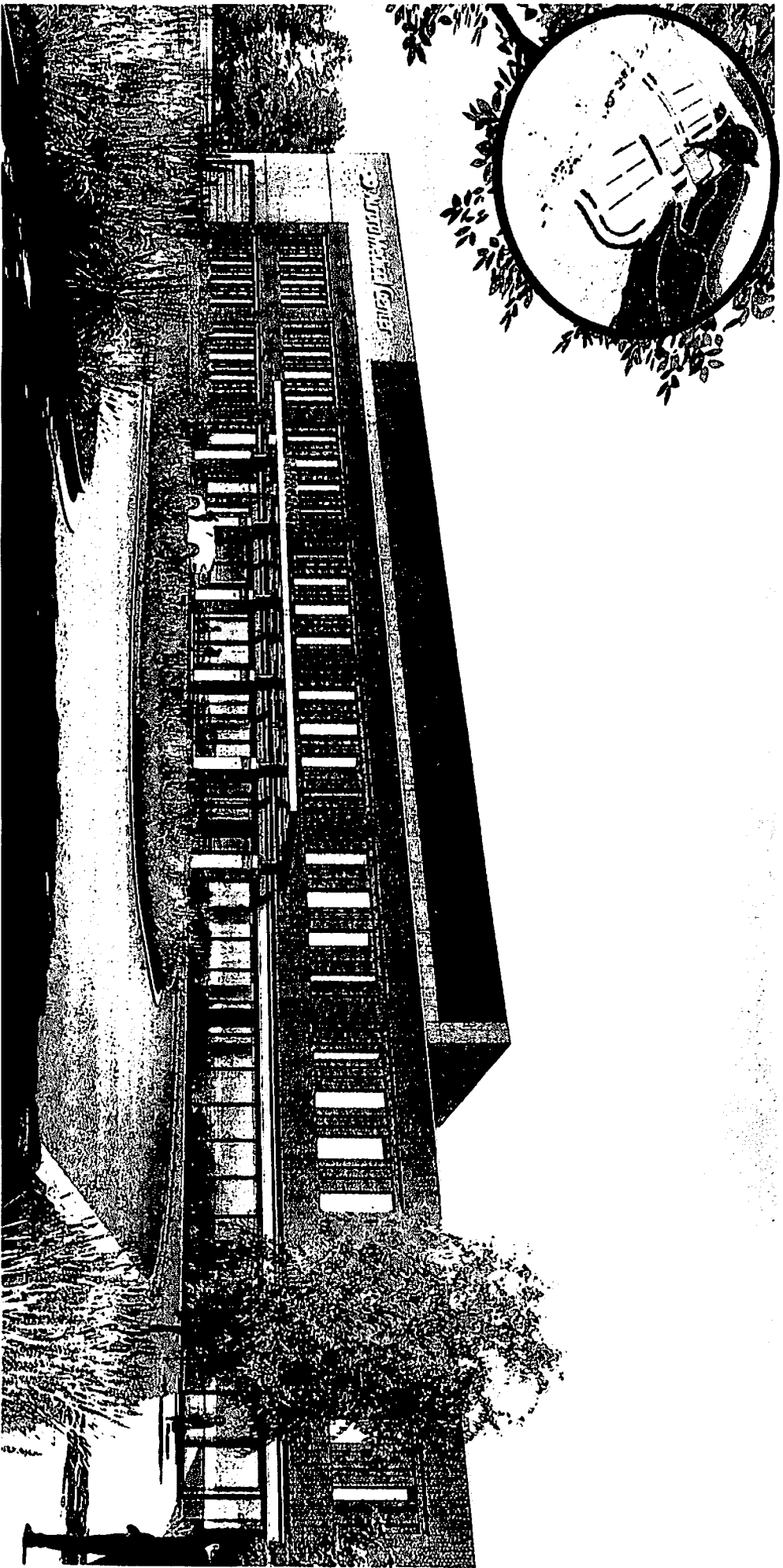
Hospital Entry Drive View



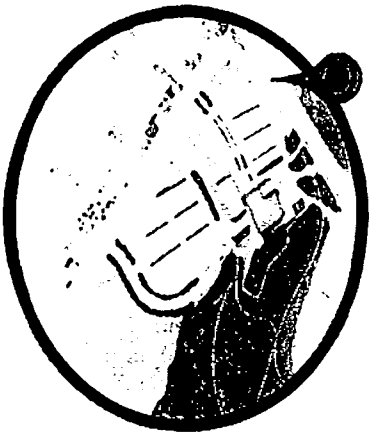
Drop-off Experience



Garden Experience

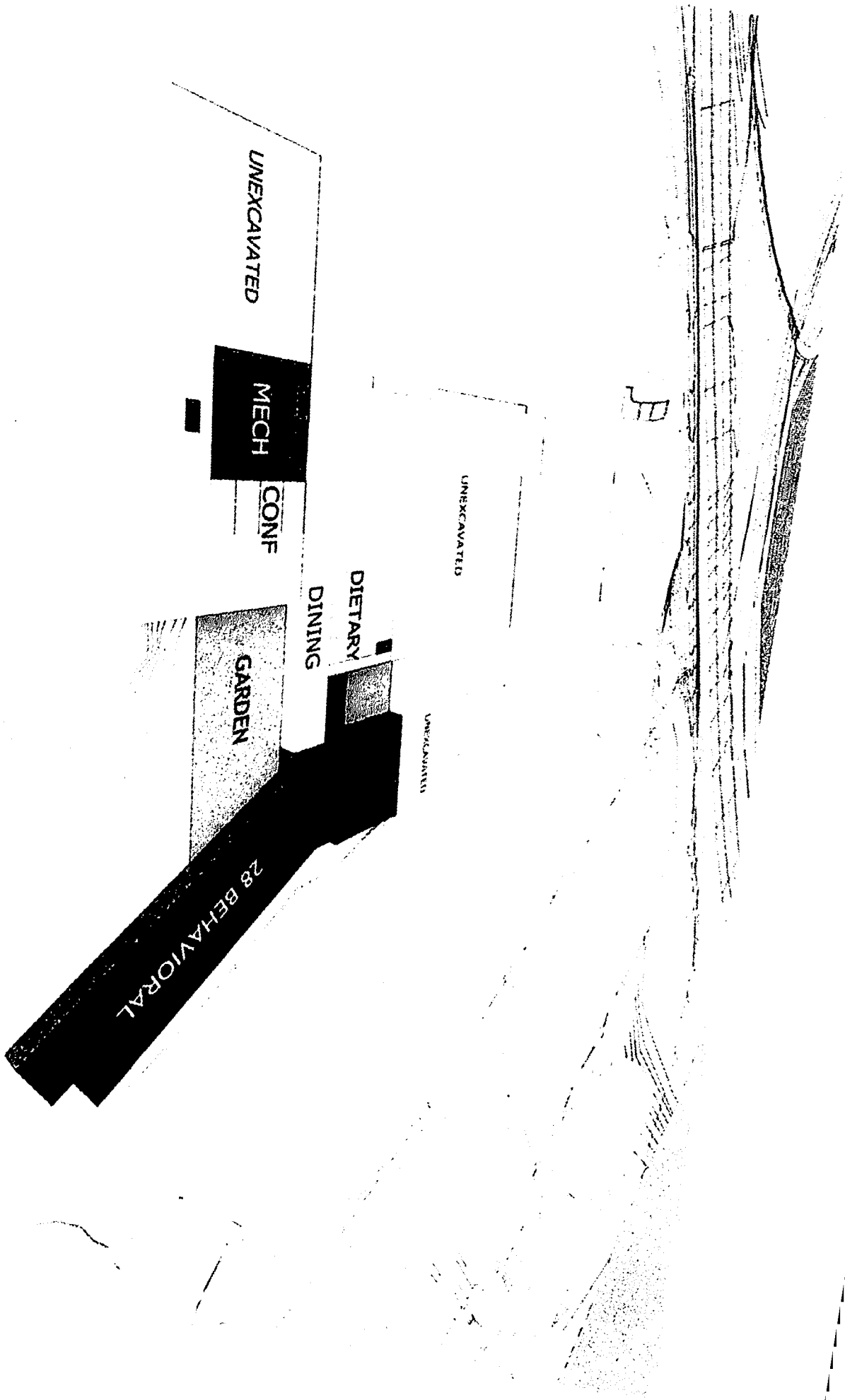


ED Entry Drive View

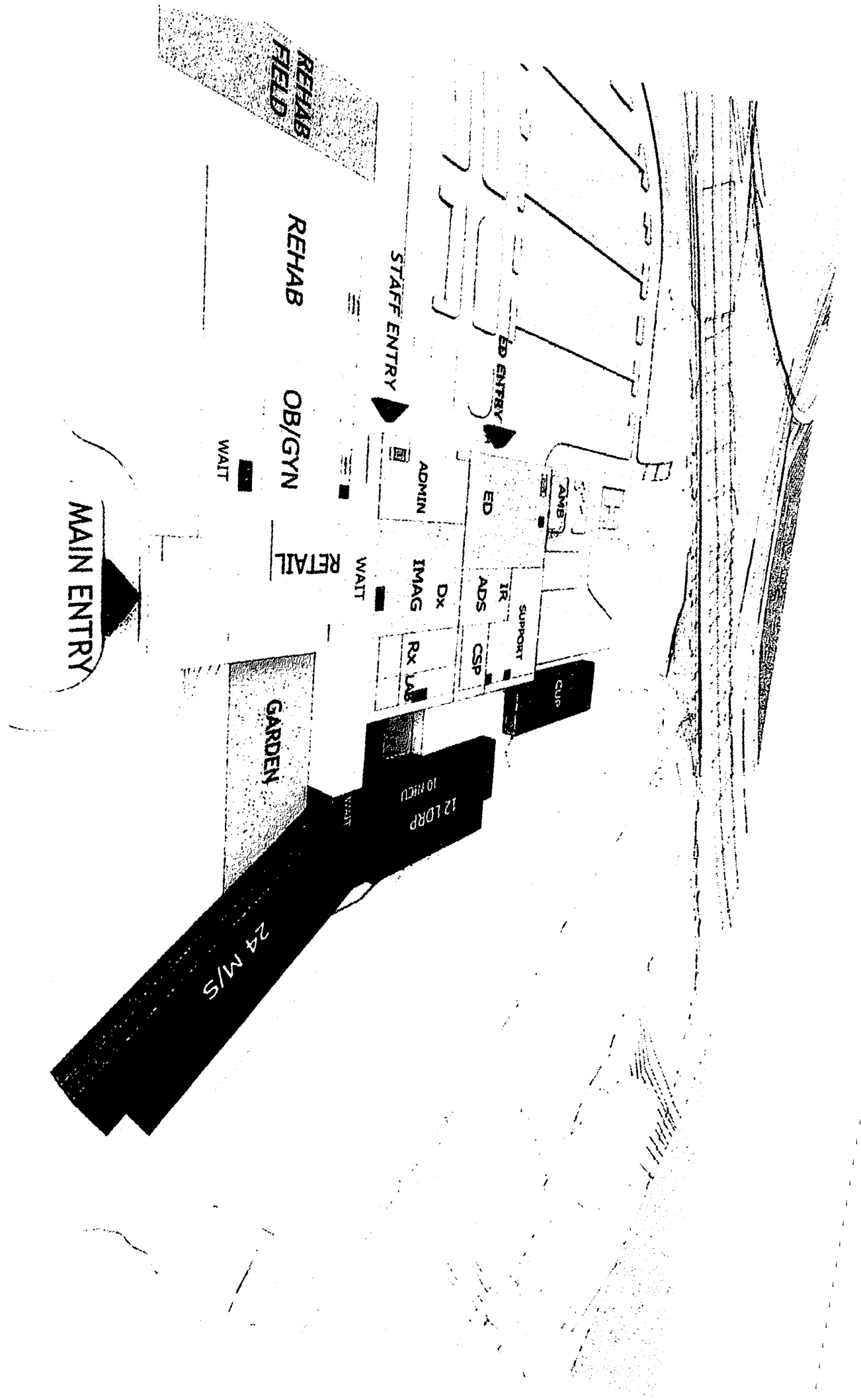


I-43 View

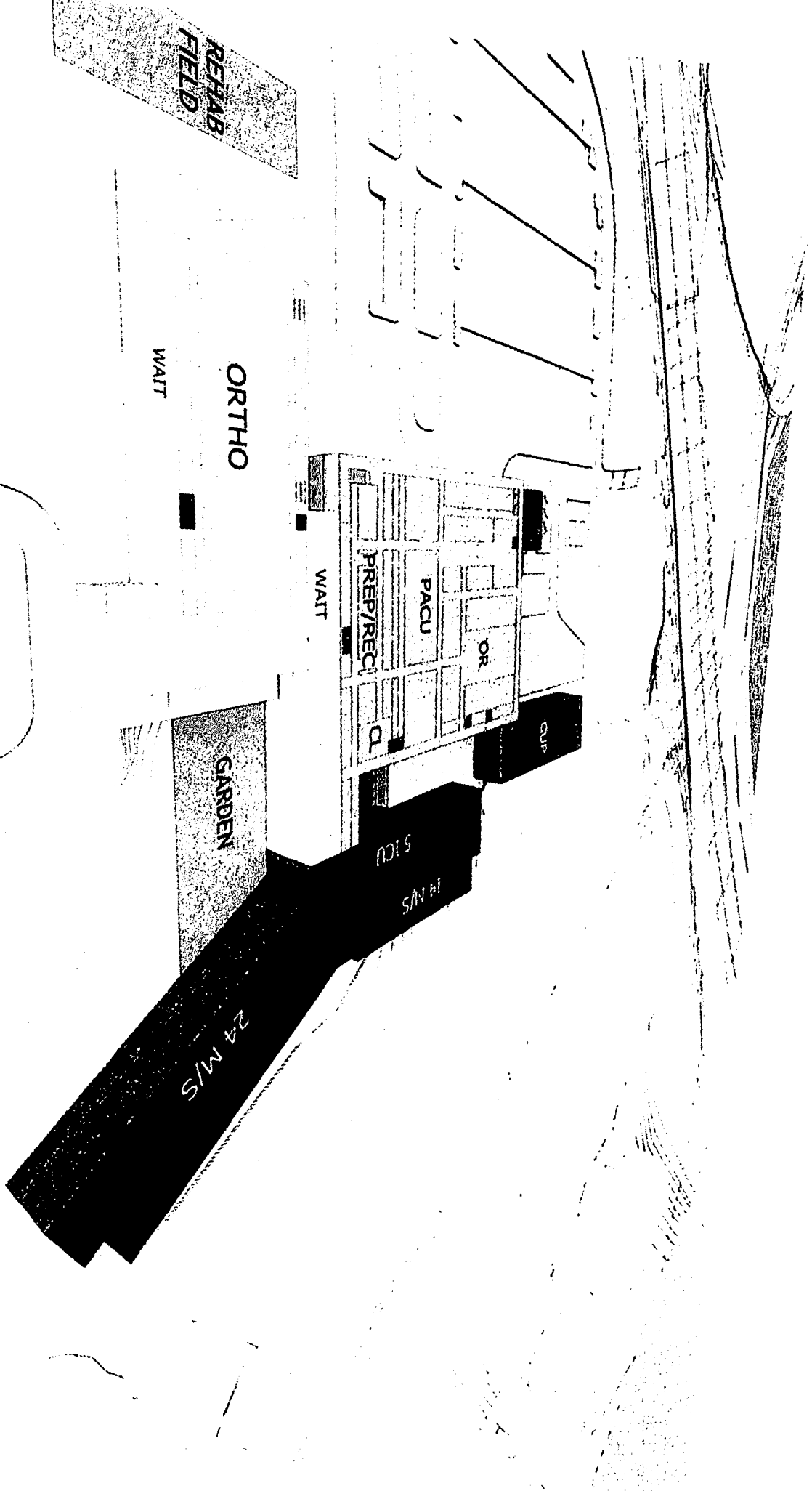
Blocking and Stacking



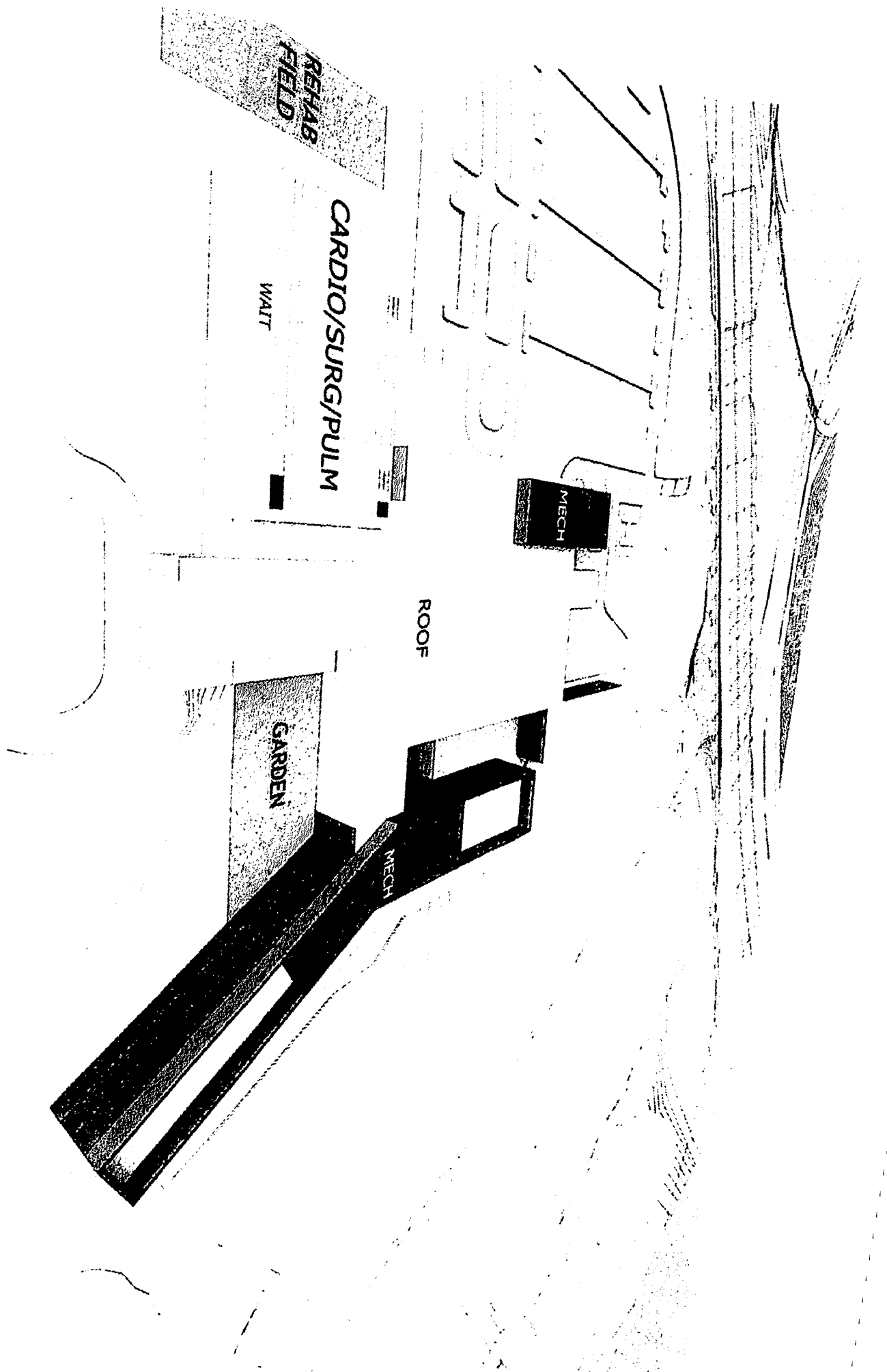
Garden Level



Level 1

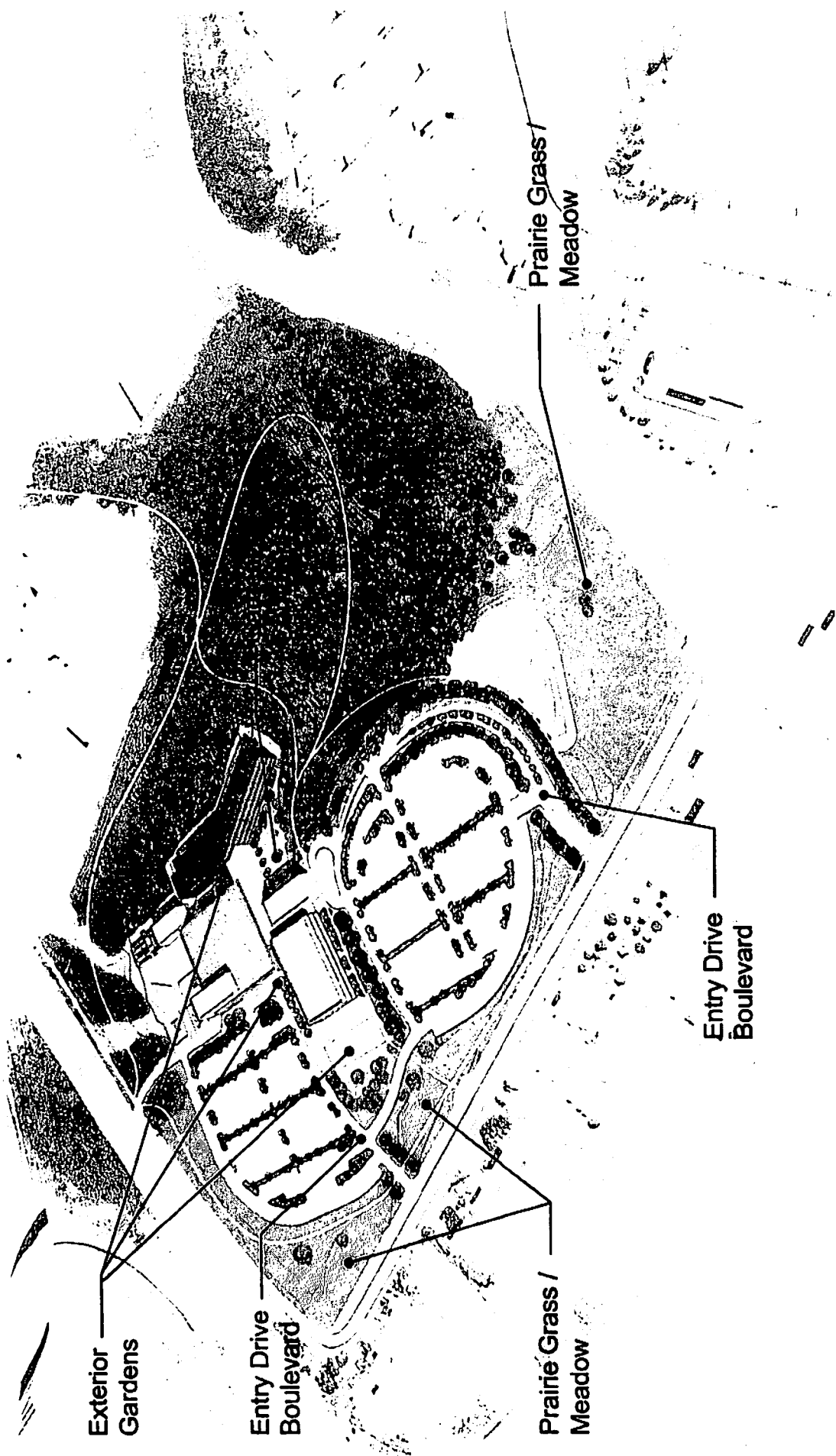


Level 2



Level 3

Landscape Concept



Exterior
Gardens

Entry Drive
Boulevard

Prairie Grass /
Meadow

Entry Drive
Boulevard

Prairie Grass /
Meadow

Utility & Building Demands

Water Services

Peak Domestic Flow – 450 gpm
Peak Fire Flow – 1250 gpm
Average Daily Flow – 45,000 gpd

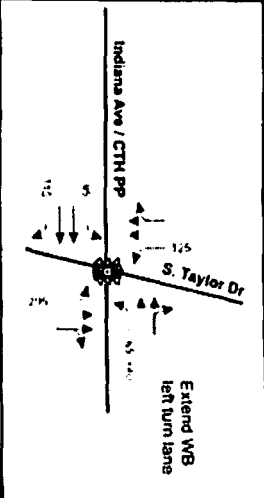
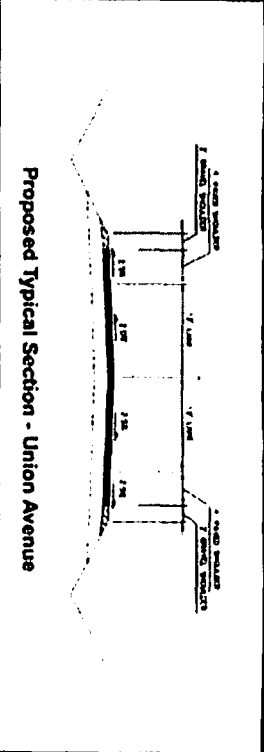
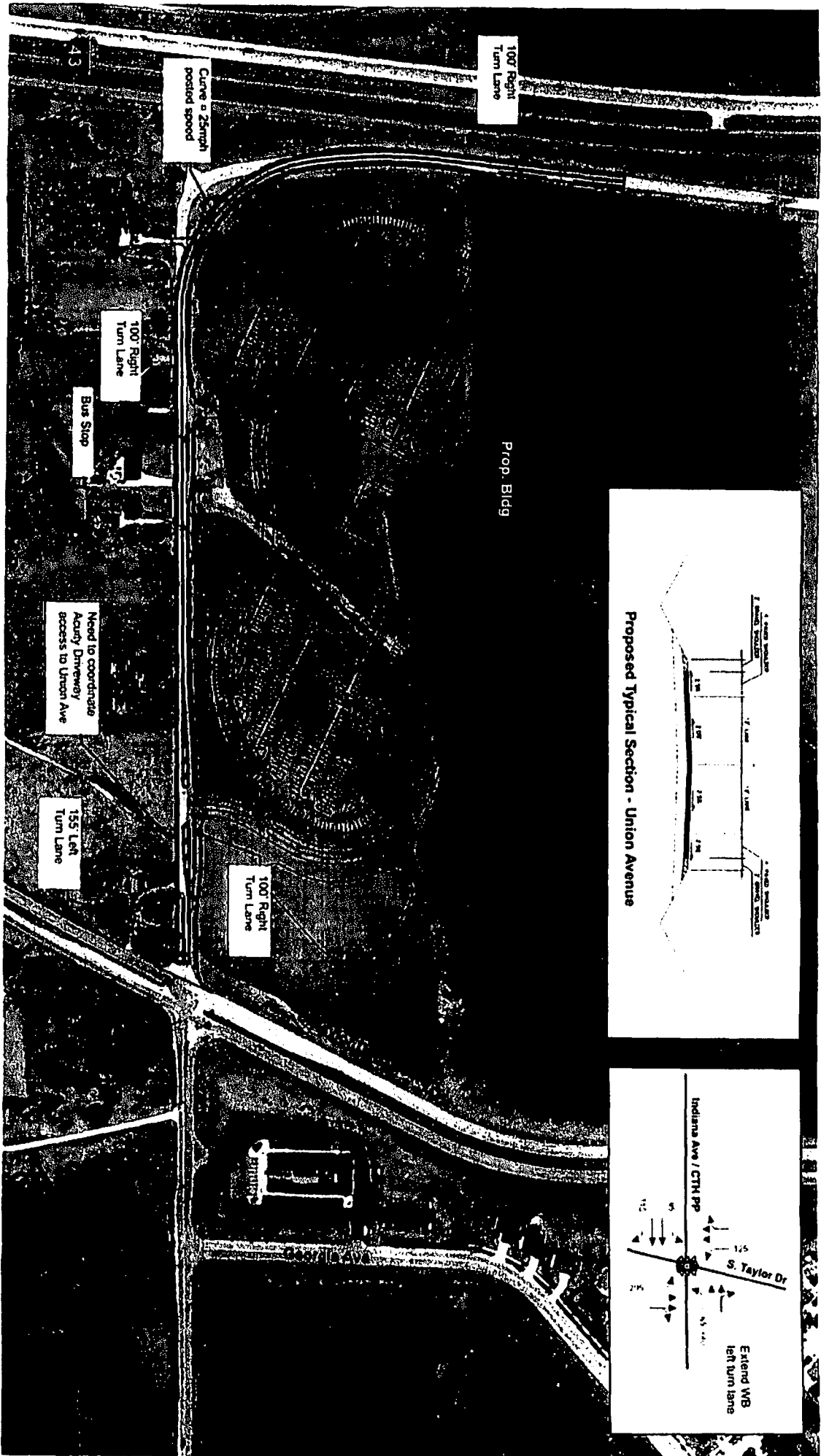
- Domestic and fire services for the building and the proposed site fire loop will require two points of connection that can individually provide the entire water needs
- Hospital site will require that water service capability have redundancy through the municipal system so that a single outage condition will not shut down the hospital due to lack of water
- It is anticipated at this time that the site would connect to the municipal system with 10-inch or 12-inch connections with the remainder of the site fire loop being 8-inch

Sanitary Services

Peak Discharge Flow – 450 gpm (1.0 cfs)
Avg. Flow during peak 12 hour period – 125 gpm (.28 cfs)

- SPS 382 requirements and proposed building configuration will require multiple 6-inch or 8-inch building connections to meet the requirements of 382.30-3
- Exiting the site, GRAEF is anticipating that a minimum 8-inch line will be connected to the municipal system
 - Size could increase based on depth and location of existing available infrastructure

Traffic Concepts



Annual Average Daily Trips

WisDOT Site No.	AADT Location	Existing AADT (2017)	Projected Year 2020 Baseline AADT	Projected Daily New Trips	Projected Year 2020 Total AADT
590874	Taylor Drive (North of WIS 28)	12,600	12,980	1,525	14,505
591082	CTH TA/Taylor Drive (North of Union Ave)	12,200	12,570	2,380	14,950
590883	Union Avenue (Btwn 26th & Georgia Ave)	6,700	6,900	190	7,090

The above are based on available WisDOT traffic counts in the area that have been projected to hospital opening in 2020 with and without the new hospital

Peak Times & Trips

AM Peak – 7:00 to 8:00 a.m.

It is projected that 260 vehicles will be proceeding west on Union from the intersection with Taylor. It is projected that 80 vehicles will be headed north, south, or east from the intersection of Taylor and Union. 205 of the inbound trips are associated with the hospital campus and 70 of the outbound trips are associated with the hospital campus. The remainder of the trips during each peak are associated with the other surrounding uses.

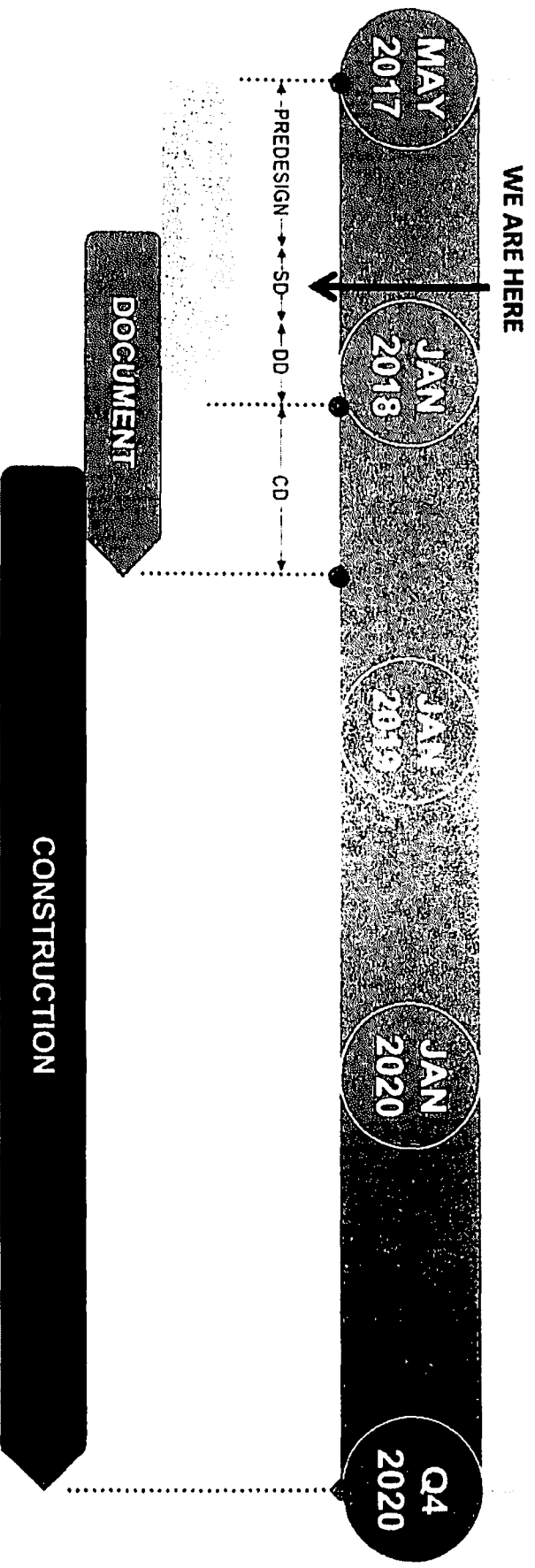
PM Peak – 4:30 to 5:30 p.m.

It is projected that 140 vehicles will be proceeding west on Union from the intersection with Taylor. It is projected that 315 vehicles will be headed north, south, or east from the intersection of Taylor and Union. 110 of the inbound trips are associated with the hospital campus and 245 of the outbound trips are associated with the hospital campus. The remainder of the trips during each peak are associated with the other surrounding uses.

Project Timeline

PROJECT TIMELINE

DESIGN AND CONSTRUCTION SCHEDULE



CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Various renewals for 2018 benefit programs for employees.
Agenda Item:

3.2/Res. No. 105-17-18: COBRA Administration

COBRA administration is currently handled in-house. In an effort to stream-line the process, the recommendation to move to Diversified Benefits was made through the City of Sheboygan's brokerage firm, Diversified Insurance.

3.3/Res. No. 106-17-18: Transplant Insurance Coverage

UHC-Optum continues to provide administrative services. Monthly rates for single employees is increasing from \$5.20 to \$5.30; monthly rates for family coverage are increasing from \$12.46 to \$12.71 (a two percent increase in both categories).

3.4/Res. No. 107-17-18: Medical Insurance Plan

United Health Care will continue to administer the program. A 1.3 percent increase in administration fees is effective January 1, 2018.

3.5/Res. No. 108-17-18: Dental Insurance Plan

Delta Dental will continue to administer the program. No changes in administrative fees for 2018.

3.6/Res. No. 109-17-18: Flexible Spending

Diversified Benefits Services will continue to administer the benefits. A flex-renewal will be implemented in 2018 at a rate of \$0.10 per participant per month or approximately 2.4 percent

3.8/Res. No. 111-17-18: Medical Stop-Loss Insurance

Sun-Life Insurance will continue to provide stop loss coverage. The plan costs are

increasing by 22 percent even with an increase in deductible to \$165,000 (up from the current \$150,000).

STAFF COMMENTS:

See comments above.

ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

ATTACHMENTS:

- I: Res. 105-17-18 / COBRA
- II: Res. 106-17-18 / Optum's Managed Transplant Program Coverage
- III: Res. 107-17-18 / UMR Renewal
- IV: Res. 108-17-18 / Deltal Dental
- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

III

4.3

Res. No. 105 - 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the appropriate City officials to enter into an agreement with Diversified Benefit Services, Inc. to administer the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) for the period January 1, 2018 through December 31, 2018.

RESOLVED: That the appropriate City officials are hereby authorized to enter into contract with Diversified Benefit Services, Inc. to administer Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) for the period January 1, 2018 through December 31, 2018, a copy of which is attached hereto.

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan be, and they hereby are, authorized to draw on the Insurance Administration Services Account, Account No. 70411032-521500, in payment same.

Finance & Personnel.

James A Boh

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Diversified Benefit Services, Inc.
COBRA Administration Service Agreement

Page 1 of 7

This Agreement is entered into between City of Sheboygan (hereinafter referred to as "Employer") and Diversified Benefit Services, Inc. (hereinafter referred to as "DBS"), and sets forth the basis on which DBS agrees to provide administrative services with respect to requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and/or state insurance continuation for Employer and its group health plan(s) if applicable. This Agreement is made in consideration of payment by Employer of the agreed-upon fee and the promises of performance by Employer and DBS as set forth within this Agreement. The effective date of the Agreement is January 1, 2018.

RELATIONSHIP OF THE PARTIES

The Parties agree that Employer is subject to federal requirements imposed by COBRA to offer continuation coverage to certain people, who would otherwise lose group health care coverage. DBS is willing to provide Employer with administrative services to assist Employer in meeting the requirements of COBRA.

This Agreement between DBS and Employer does not create any legal relationship between DBS and Employer's employees. This is an independent service agreement with DBS acting in the capacity of an independent contractor. Further, Employer acknowledges that DBS is not the "plan administrator" as that term is used in the Employee Retirement Income Security Act (ERISA). The "plan administrator" is the Employer or other person designated by the terms of the Employer's group health plan.

DBS SERVICES/RESPONSIBILITIES

DBS will provide the following administrative services to Employer after the Employer has provided the necessary information to DBS to initiate the DBS service:

- DBS shall provide current (if desired by Employer) and new employees and their spouses /qualified dependents with initial notice of the availability of continuation of coverage as required by COBRA (provided that Employer provides the names and addresses to DBS in the appropriate format).
- DBS will receive from Employer a spreadsheet of employees including addresses and phone numbers, who are currently eligible for COBRA continuation coverage (hereinafter referred to as "Qualified Beneficiaries"). DBS will send notifications of the COBRA law to the Qualified Beneficiaries, separately to their insured spouses; and separately to insured dependents known to live apart from the enrolled employees, if the address is provided.
- Upon notification by Employer to DBS of a Qualifying Event (as defined below), DBS will, within 14 days, send a notice of COBRA Continuation Election Rights to such identified Qualified Beneficiaries under the COBRA continuation coverage requirements, and shall provide Qualified Beneficiaries a form for election or non-election of COBRA continuation coverage.

- Upon notification from Employer of a qualified employee's death, divorce or legal separation, or of dependent child ceasing to be eligible for Employer's group health plan, DBS will send required COBRA notification and election forms to the so-identified Qualified Beneficiaries above.
- Upon notification of Employer's filing bankruptcy under Chapter 11, DBS will send notification to insured retirees advising of the right to COBRA continuation of coverage (if any) under appropriate COBRA regulation.
- If a second Qualifying Event occurs while a Qualified Beneficiary has elected COBRA continuation coverage (e.g., terminated employee on COBRA continuation coverage dies), and Employer notifies DBS of such event, or if a Qualified Beneficiary notifies DBS, DBS will send the Secondary Extension Notification (and election forms) to the Qualified Beneficiary(ies).
- During the 180-day period prior to the termination of the Qualified Beneficiaries' continuation coverage period, DBS will notify Qualified Beneficiaries of their right to purchase a conversion health-insurance policy, which includes accessing the "Market Place" through the "Exchange" accessible on-line via HealthCare.gov, as established through the Affordable Health Care Act.
- In the event Employer provides an open enrollment period for benefit selection by employees, Qualified Beneficiaries covered under COBRA continuation coverage will be notified by DBS of this selection option, when Employer notifies DBS of such open enrollment period.
- If an employee (and/or his/her spouse and dependents) loses coverage under the Employer's group health plan but is not eligible for COBRA continuation coverage, DBS shall provide a "notice of unavailability" to the employee that includes an explanation of why the employee or other Qualified Beneficiaries cannot elect coverage.
- If a Qualified Beneficiary's COBRA continuation coverage is to end prematurely for any reason, DBS shall provide a Early Termination Notice to the Qualified Beneficiary regarding the termination of the COBRA continuation coverage and the reason why it is terminating.

EMPLOYER RESPONSIBILITIES

The Employer agrees to inform DBS of all pertinent information related to existing group health plans at the inception of the contract and any future amendments. Eligibility notifications of COBRA reinstatement(s)/termination(s) will be sent to the designated plan enrollment contact (at the Employer). The designated plan enrollment contact will be obligated to notify the carrier(s) if the carrier contact is not setup as the plan enrollment contact.

The Employer will provide, in a format acceptable to DBS, information relating to the following events that may require action under COBRA ("Qualifying Events"):

- Death of the covered employee.
- Termination, or reduction of hours, of the covered employee's employment.

- Divorce or legal separation of the covered employee from the employee's spouse (and annulment for Wisconsin continuation purposes).
- The covered employee becoming entitled to benefits under Title XVIII of the Social Security Act (Medicare).
- A dependent child ceasing to be a dependent under the generally applicable requirements of the plan.
- Bankruptcy reorganization under Title 11 for persons with retiree coverage, if it causes a substantial loss of coverage within one year before or after filing.
- Any other relevant information to the fulfillment of this contract as is necessary for compliance with COBRA.

In addition, the Employer maintains the following responsibilities:

- Employer shall notify DBS as soon as possible, but in no event later than five (5) business days after becoming aware, that any Qualified Beneficiary was disabled (as defined by the Social Security Act) at the time of the Qualifying Event, has become disabled within sixty (60) days of a Qualifying Event or having been disabled, is no longer disabled.
- Employer shall notify DBS in writing (including email) as soon as reasonably possible of the addition, termination or modification of any Plan.
- Employer shall notify DBS as soon as possible, but in no event later than five (5) business days after becoming aware of a determination of Trade Adjustment Assistance ("TAA") for any Qualified Beneficiary by either the United States Department of Labor or a state agency.
- For each Qualified Beneficiary, Employer shall determine the premium rates to be charged for COBRA continuation coverage and shall notify DBS of such premiums. Employer shall notify DBS of any change in premium rates affecting continuants or prospective continuants under a Plan as soon as reasonably possible after being made aware of such premium rate change.
- Employer shall be solely responsible for examining the DBS status reports and shall notify DBS of any discrepancies between such status reports and Employer's own records as soon as reasonably possible, but in no event later than five (5) business days after becoming aware of such discrepancies.
- All notices to be provided to DBS shall be in writing using the forms provided to Employer by DBS. The Employer shall be solely responsible for determining whether or not an individual has had a Qualifying Event, including, without limitation, whether the employee has been terminated for gross misconduct.
- Employer shall notify and advise DBS of Qualified Beneficiaries who, at the time of a Qualifying Event, have been deemed incompetent and provide DBS with the name and address of such individual's legal guardian or executor.

- Employer represents that the Plan(s) will be maintained during the term of this Agreement in accordance with ERISA, and the Internal Revenue Code of 1986, as amended, and other applicable law. Employer, the Plan(s) administrator and/or the Plan(s) (and their agents or assigns), and not DBS, shall be responsible for the review and payment of claims for benefits under the Plan(s) and all appeals under ERISA and other applicable law, including, without limitation, with respect to claims, benefits and eligibility determinations under the Plan(s).

BILLING AND COLLECTION OF PREMIUM

DBS shall directly bill and collect premium from any Qualified Beneficiary who elects continuation coverage. The premium amount shall not exceed 102 percent of the applicable premium for the Employer's similarly classified employees.

Qualified Beneficiary's applicable initial premium shall be due within 45 Days of Service Agent's receipt of valid election form accepting continuation coverage. This applicable premium, unless modified by federal regulation, shall mean 102 percent of the (applicable) premium for such determination period for similarly situated group health plan beneficiaries for whom a Qualifying Event has not occurred.

DBS will bill Qualified Beneficiaries and remit premium payments directly to the Employer's COBRA Account (minus 2 percent).

GUARANTEE

Provided the Employer has complied with the requirements of this contract, DBS shall ensure that all aspects of its administration of duties under this contract fall within the applicable statute and regulations. In the event the Employer is subject to a judgment or administrative ruling that indicates that Employer is in non-compliance with the law, and such non-compliance is found to be the result of DBS action(s) or inaction(s) under this contract, then DBS shall be liable to the Employer for the damages that result from its failure to perform under this contract, but only to the extent such damages are covered by DBS's Errors and Omissions policy.

MUTUAL INDEMNIFICATION

Each party shall indemnify the other party, its employees, directors, and agents (collectively, "Indemnitees") and hold the Indemnitees harmless against all damages, losses, or other liabilities incurred by the Indemnitees arising from any act or failure to act by the indemnitor, its employees, directors, or agents in connection with the Plan. Such indemnification shall include (and not be limited to) liabilities arising from a failure to timely provide DBS with information. Such indemnification shall also include liabilities arising from administration or interpretation of the Plan by either party in a manner contrary to law. The preceding notwithstanding, the Indemnifying Party shall be liable under this paragraph and this Agreement only to the extent that its liability is covered by the Indemnifying Party's Errors and Omissions policy.

TERMS AND TERMINATION

The term of this Agreement shall be one year, and shall automatically renew annually unless the Employer gives to DBS written notice of termination at least 30 days prior to the requested termination effective date. Any decisions made while this agreement was in force shall survive the Agreement termination.

Other Termination by Employer. If the Employer terminates the Agreement without giving 30 day advanced notice, there will be a termination fee of three months of administration fees, measured by the administration fees averaged over the prior three months, payable to DBS before the actual termination date. The Employer is responsible for any extra costs associated at the time of account termination (based on time and materials) to the new vendor. Additionally, the Employer shall be responsible for reimbursing DBS for all applicable material and labor costs.

Other Termination by DBS. DBS may terminate the Agreement effective: 1) as of an end of term date without the 30-day notice, or 2) on a date other than an end of term date, but only if the Employer previously breached this Agreement, such as by failing to pay DBS for its services or failing to cooperate with DBS.

FEES AND CHARGES

As compensation for the services provided by DBS under this Agreement, Employer shall pay DBS in accordance with the fees and charges set forth in this Agreement's Addendum A Fee Schedule. If any amounts are not paid when due, a late charge of 1½% per month or the highest late charge allowed by law, whichever is less, shall apply to such unpaid amounts from the due date until paid in full. In addition to the fees and charges set forth in Schedule A, DBS shall charge and retain the 2 percent administrative charge paid by each continuant under the Plan(s) as compensation for the handling of premium payments or shall charge and retain any greater administration charge allowed by law, whichever is higher. In addition, DBS when applicable will collect 2% premium administration fees from clients when qualified beneficiaries are under subsidy/severance agreements. DBS shall give Employer at minimum a thirty (30) day advance notice of Schedule "A" price adjustments, which DBS may institute from time to time. Employers with 100 or fewer employees will be invoiced annually during the first week of the Agreement effective date and annually thereafter during the first renewal month. Employers with more than 100 employees will be invoiced monthly during the first week of each month.

CONFIDENTIAL INFORMATION

Both during and after the term of this Agreement, Employer shall hold for DBS's benefit and shall not use or disclose to any third party any trade secrets, or confidential information, knowledge, or data relating to the subject of this Agreement or related materials relating to DBS operations, business, or affairs including, without limitation, pricing proposals or pricing agreements. This restriction will not apply to disclosure to legal, tax or financial advisors; provided those advisors are notified of this provision and the advisors agree to use their respective best efforts to protect against any further disclosure by these persons.

OWNERSHIP RIGHTS IN MATERIALS

All products, forms, procedures and other materials (the "Materials") utilized or made available by DBS to Employer in connection with any service performed under this Agreement are the sole property of DBS, and Employer shall not acquire any right, title or interest in the Materials by use thereof in accordance with this Agreement. Employer shall not license, market, copy, modify, sell or transfer any of the Materials, in whole or in part. Employer acknowledges and recognizes that any breach of this section would result in irreparable harm to DBS, and, accordingly, agrees that in addition to and not in lieu of all remedies available to DBS by reason of such breach (at law or equity), DBS shall be entitled to equitable relief (including, without limitation, specific performance and injunctive relief) to enjoin the occurrence or continuation of

such breach. Upon DBS's request, Employer shall promptly return all Materials to DBS following the termination of this Agreement.

LIMITATION OF LIABILITY

UNLESS THEY ARE COVERED BY DBS' ERRORS AND OMISSIONS POLICY, DBS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, AND/OR CONSEQUENTIAL DAMAGES HOWSOEVER INCURRED OR DESIGNATED, OR ANY LOSS OF PROFITS, EVEN IF DBS WAS INFORMED OF THE POSSIBILITY OF SUCH LOSS. IN ADDITION, DBS IS NOT RESPONSIBLE FOR ACTS OR OMISSIONS OF THE EMPLOYER OR ANY THIRD PARTY WHICH TOOK PLACE PRIOR TO THE EFFECTIVE DATE OF THIS AGREEMENT.

FORCE MAJEURE

DBS shall not be liable for failures or delays in performance which are caused by natural disasters, strikes, war, utility outages, communication outages, or any other circumstances which could not have been reasonably foreseen and avoided by commercially reasonable action, or are beyond the reasonable control of DBS. DBS shall be excused from performance under this Agreement for the duration of the effects of such circumstances.

ENTIRE AGREEMENT, AMENDMENTS AND MODIFICATIONS

This Agreement represents the entire Agreement between the parties, and there are no oral or other written agreements or understandings between the parties affecting this Agreement, or related to the services to be provided by DBS or duties undertaken by Employer under this Agreement. This Agreement supersedes all previous agreements between the parties. This Agreement may be amended only by a written agreement executed by Employer and DBS. Employer may not assign this Agreement without the express written consent of DBS.

THIRD PARTY BENEFICIARIES

The parties do not intend, by the execution of this Agreement, to provide any rights to third parties under this Agreement.

GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed under the laws of the State of Wisconsin, except to the extent preempted by ERISA. If any provision of the agreement is held to be invalid in any court of competent jurisdiction, such finding shall not invalidate the remainder of the Agreement. With respect to any claim arising out of this Agreement, (a) each party irrevocably submits to the exclusive jurisdiction of the courts of the State of Wisconsin, or the United States District Court, located in Milwaukee County, Wisconsin, and (b) each party irrevocably waives any objection which it may have at any time to the venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any such court and irrevocably waives any claim such suit, action or proceeding is brought in an inconvenient forum and further irrevocably waives the right to object, with respect to such claim, suit, action or proceeding brought in any such court, that such court does not have jurisdiction over such party.

NON-WAIVER AND ATTORNEYS FEES

If any legal action or other proceeding is brought by either party to this Agreement for the enforcement or interpretation of any of the rights, obligations and provisions of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party in such action or proceeding is entitled to recover reasonable attorneys fees and all other costs and expenses incurred in such action or proceeding, in addition to any other relief to which it may be entitled.

BINDING SIGNATURES

The following signatures bind this "Agreement" as executed the day, month and year shown below.

Executed on behalf of the
"Employer" by:

Name Shady Rohuck*

Title Director of Human Resources

Date 11/28/2017

Pending Council Approval

Executed on behalf of
"Diversified Benefit Services, Inc." by:

Name Paul J. Peterson

Title: President

Date: 11/9/2017

ADDENDUM A

FEE SCHEDULE

Standard DBS COBRA Services

<u>Service</u>	<u>Fee</u>
<p><u>Initial Implementation/Setup</u> Provide COBRA Implementation packet & a COBRA Employer Guide Setup fee includes up to six (6) composite rated benefit plans For more than six (6) composite rated plans a fee of \$30/plan will apply For any age and/or gender banded plan a fee of \$45/plan will apply</p> <p><u>Annual Renewal</u> Provide COBRA Renewal packet Update premium information / premium change notifications Renewal fee includes up to six (6) composite rated benefit plans. For more than six (6) composite rated plans a fee of \$30/plan will apply For any age and/or gender banded plan a fee of \$45/plan will apply</p>	<p>\$200/year</p>
<p>Takeover of current COBRA continuants</p>	<p>\$15/COBRA continuant</p>
<p><u>Monthly Administration Services</u></p> <p><u>Monthly Services Include:</u> COBRA election notice (Specific Rights Notice) to Qualified Beneficiaries(QBs) Provide Employer and participants with online portal access Provide coupon book of monthly premiums and premium due dates Provide late payment letters to COBRA continuants QB premium collection via check, money order, ACH or credit card (a fee will be assessed for credit card payments) Track COBRA enrollment forms Initial General Notice of COBRA Rights for newly hired employees Conversion/expiration notice Provide termination notice for nonpayment of premium Deposit COBRA premiums received from COBRA continuants into the Employer's account one time per month. The Employer can then remit the payment for active COBRA continuants. COBRA premiums will be deposited via ACH into one Employer account only. (Premium transfers to multiple Employer accounts will be quoted) Customer service for questions during business hours: 1-800-234-1229</p>	<p>\$.60/eligible employee/month \$50/group minimum/month</p>

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**ADDENDUM A
FEE SCHEDULE**

Additional DBS COBRA Services

<u>Other Notices</u>	<u>Fee</u>	
Disability Extension Confirmation Notice	Included	
Enrollment Confirmation Notice	Included	
Main Address Change Notice to new address	Included	
Main Address Change Notice to old address	Included	
New Client Login Notice	Included	
New Member Login Notice	Included	
Renewal Notice	Included	
Return Late Check Notice	Included	
Subsidy Notice	Included	
Takeover Notice	Included	
<u>Other Services</u>	<u>Fee</u>	<u>Employer Election</u>
Initial General Notice of COBRA Rights sent to current active employees on any COBRA eligible benefit	\$2.75/notice	<input type="checkbox"/> Yes <input type="checkbox"/> No
Send Open Enrollment Materials to COBRA members (cost of time and materials)	\$15/packet \$100 group minimum	Determined annually at the time of open enrollment.
<u>Other Services</u>		
Extraordinary one-time services	To be quoted	

Employers with 100 or fewer employees will be invoiced annually during the first week of the Agreement effective date and annually thereafter during the first renewal month. Employers with more than 100 employees will be invoiced monthly during the first week of each month.

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Various renewals for 2018 benefit programs for employees.
Agenda Item:

3.2/Res. No. 105-17-18: COBRA Administration

COBRA administration is currently handled in-house. In an effort to stream-line the process, the recommendation to move to Diversified Benefits was made through the City of Sheboygan's brokerage firm, Diversified Insurance.

3.3/Res. No. 106-17-18: Transplant Insurance Coverage

UHC-Optum continues to provide administrative services. Monthly rates for single employees is increasing from \$5.20 to \$5.30; monthly rates for family coverage are increasing from \$12.46 to \$12.71 (a two percent increase in both categories).

3.4/Res. No. 107-17-18: Medical Insurance Plan

United Health Care will continue to administer the program. A 1.3 percent increase in administration fees is effective January 1, 2018.

3.5/Res. No. 108-17-18: Dental Insurance Plan

Delta Dental will continue to administer the program. No changes in administrative fees for 2018.

3.6/Res. No. 109-17-18: Flexible Spending

Diversified Benefits Services will continue to administer the benefits. A flex-renewal will be implemented in 2018 at a rate of \$0.10 per participant per month or approximately 2.4 percent

3.8/Res. No. 111-17-18: Medical Stop-Loss Insurance

Sun-Life Insurance will continue to provide stop loss coverage. The plan costs are

increasing by 22 percent even with an increase in deductible to \$165,000 (up from the current \$150,000).

STAFF COMMENTS:

See comments above.

ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

ATTACHMENTS:

- I: Res. 105-17-18 / COBRA
- II: Res. 106-17-18 / Optum's Managed Transplant Program Coverage
- III: Res. 107-17-18 / UMR Renewal
- IV: Res. 108-17-18 / Deltal Dental
- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

~~III~~

4.4

Res. No. 106 - 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the City to enter into contract with Optum's Managed Transplant Program Coverage effective January 1, 2018.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into contract accepting a supplemental Stop Loss Insurance Plan to include a separate plan for Transplant Coverage, Optum's Managed Transplant Program.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw orders on the City's Insurance Fund Account Number 70411030-540206 in payment of same.

Finance & Personnel

James A. Bol

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

UnitedHealthcare Insurance Company
Specified Disease Organ Tissue and Transplant Policy
Application for Transplant Insurance

The undersigned Applicant requests the Transplant Insurance Benefits shown herein and provided by UnitedHealthcare Insurance Company, and agrees to be bound by the terms and provisions of the Transplant Insurance Policy.

Section 1: APPLICANT INFORMATION			
Full Legal Name of Applicant:	City of Sheboygan		
Street Address:	828 Center Avenue		
City:	State:	Zip:	Tax ID Number:
City:	State:	Zip:	Tax ID Number:
Contact Person:	Telephone No:	Fax No.	
Contact Person:	Telephone No:	Fax No.	
Email Address:	sandy.rohrick@ci.sheboygan.wi.us		
Requested Effective Date:	1/1/2018	First Renewal Date:	1/1/2019
Company is:	<input type="checkbox"/> Corporate	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust
Company is:	<input type="checkbox"/> ERISA	<input type="checkbox"/> ERISA exempt plan	<input type="checkbox"/> Association
			ERISA Health Plan Number:

Section 2: PLAN ADMINISTRATOR / TPA			
Name of Plan Administrator / TPA:			
Address: ___	City: ___	State: ___	Zip: ___
Contact Name:			
Phone: ___	Email Address: ___		
Financial / Accounts Payable Contact Name:			
Phone: ___	Email Address: ___		

Section 3: CASE MANAGEMENT			
Case Management Company:			
Address: ___	City: ___	State: ___	Zip: ___
Contact Name:			
Phone: ___	Email Address: ___		

Section 4: ELIGIBILITY INFORMATION	
Total number of full time employees: ___	Total number of employees enrolled in the medical plan: ___
Does group meet the definition of large group in situs state? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Section 5: PREMIUMS			
All premiums are due on the first day of the calendar month of insurance.			
Premium Rates:			
Employee Only:	\$5.30	Number covered:	= \$
Employee + One:		Number covered:	= \$
Employee + Spouse:		Number covered:	= \$
Employee + Children:		Number covered:	= \$
Employee + Family:	\$12.71	Number covered:	= \$
Composite:		Number covered:	= \$
Rates Include Commission: 10%		Initial Month Premium: = \$	

It is understood and agreed that the Transplant Insurance will become effective on the date requested only if this Application is accepted. The Applicant agrees to transmit the total premiums for this insurance to UnitedHealthcare Insurance Company when due. The Applicant declares to the best of its knowledge and belief that statements and answers on this Application are complete and true.

GROUP SIGNATURE (form must be signed)		
Group Authorized Person's Name:		Title:
Group Authorized Person's Signature:		Date:
AGENT INFORMATION		
Agency Name:		
Agent Name :		License Number:
Agent Signature:		Date:
Street Address:		
City:	State:	Zip Code:
Phone Number:	Fax Number:	Email Address:

Send completed Application with binder check to:

**UnitedHealthcare Insurance Company
Optum – Managed Transplant Program
11000 Optum Circle
MN101-W800
Eden Prairie, MN 55344**

FRAUD WARNING NOTICES: (Please review the notice that applies in your state)

For residents of Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

For residents of California: Providing false, incomplete, or misleading information for any policy shall not bar the right to recovery unless the statement was made with actual intent to deceive, or it materially affects the acceptance of the risk or the hazard assumed by the insurers.

For residents of Colorado: It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds, shall be reported to the Colorado division of insurance within the Department of Regulatory Agencies.

For residents of Connecticut: Any person who knowingly presents false information in an application for insurance or life settlement contract is guilty of a crime and may be subject to fines and confinement in prison.

For residents of District of Columbia: WARNING: it is a crime to provide false or misleading information to an insurer for purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

For residents of Hawaii: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Various renewals for 2018 benefit programs for employees.

Agenda Item:

3.2/Res. No. 105-17-18: COBRA Administration

COBRA administration is currently handled in-house. In an effort to stream-line the process, the recommendation to move to Diversified Benefits was made through the City of Sheboygan's brokerage firm, Diversified Insurance.

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UHC-Optum continues to provide administrative services. Monthly rates for single employees is increasing from \$5.20 to \$5.30; monthly rates for family coverage are increasing from \$12.46 to \$12.71 (a two percent increase in both categories).

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United Health Care will continue to administer the program. A 1.3 percent increase in administration fees is effective January 1, 2018.

3.5/Res. No. 108-17-18: Dental Insurance Plan

Delta Dental will continue to administer the program. No changes in administrative fees for 2018.

3.6/Res. No. 109-17-18: Flexible Spending

Diversified Benefits Services will continue to administer the benefits. A flex-renewal will be implemented in 2018 at a rate of \$0.10 per participant per month or approximately 2.4 percent

3.8/Res. No. 111-17-18: Medical Stop-Loss Insurance

Sun-Life Insurance will continue to provide stop loss coverage. The plan costs are

increasing by 22 percent even with an increase in deductible to \$165,000 (up from the current \$150,000).

STAFF COMMENTS:

See comments above.

ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

ATTACHMENTS:

- I: Res. 105-17-18 / COBRA
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- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

III

4.5

Res. No. 107 - 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the appropriate City officials to enter into contract with United Health Care (UMR) to provide administration services for the City's medical health benefit plan for calendar year 2018.

RESOLVED: That the appropriate City officials are hereby authorized to enter into contract with United Health Care (UMR) for the administration services for the City's medical health benefit plan for the period January 1, 2018 through December 31, 2018, a copy of which is attached hereto.

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan be, and they hereby are, authorized to draw on the Insurance Administration Services Account, Account No. 70411030-521500, in payment same.

Finance & Personnel

James A Bohre

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Renewal Services

Customer Name : City of Sheboygan
Plan Renewal Date : 1/1/2017

All fees shown as per employee per month (PEPM) unless otherwise noted

Proposed renewal fees assume all existing products and services written with UMR will be retained throughout the renewal period. New products and services may be added however proposed fees are subject to change and/or and/or additional fees may apply if any existing products or services are discontinued.

Administration and access fees	Subscribers	Current Fees	Renewal Fees 1/1/2017	Renewal Fees 1/1/2018
Medical claims	379	\$14.59	\$14.98	\$15.33
Medical client advisor commission	379	\$6.50	\$6.50	\$6.50
Required stop loss interface fee	379	Included	Included	Included
UnitedHealthcare Choice Plus® network- access fee	378	\$16.87	\$16.87	\$16.87
First Health Network - access fee	1	30% of savings	30% of savings	30% of savings
Utilization and case management (Includes NurseLine) - per employee per month savings of \$0.58	379	\$3.35	\$3.42	\$3.52
Maternity management (MM)	328	\$0.65	\$0.66	\$0.68
Truven Health Analytics reporting - three licenses included	379	Included	Included	Included
Medical and pharmacy integration - per participating employee per month	379	\$1.00	\$1.00	\$1.00
Medical Insured Carve Out Coordination Fee	379	\$0.35	\$0.35	\$0.35
Cost reduction and savings program - large bill review/fee negotiation and secondary/travel network - % of savings	379	30%	30%	30%
Subtotal	379	\$43.18	\$43.55	\$44.12

Non-preferred vendor surcharge: An additional stop loss interface fee surcharge of \$5.00 PEPM applies if stop loss coverage is not placed with a UMR preferred vendor. This fee is in addition to the "Required stop loss interface fee" which applies for all groups. Consult your UMR representative for a list of preferred vendors.

UnitedHealthcare Choice Plus assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to: deductible, out-of-pocket, coinsurance and plan limitations. Usage of the Choice Plus network requires employer participation in Value Based Contracting payment methodologies.

External PBM Vendors are subject to prior approval and may require additional fees.

City of Sheboygan
Eff Date: 1/1/2017

Proprietary/Trade Secret/Confidential Competitive Sensitive Information

UMR

A UnitedHealthcare Company

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

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STAFF COMMENTS:

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ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

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- IV: Res. 108-17-18 / Deltal Dental
- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

III

4.6

Res. No. 108- 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the appropriate City officials to enter into contract with Delta Dental to administer dental benefit plan services for the City for calendar year 2018.

RESOLVED: That the appropriate City officials are hereby authorized to enter into contract with Delta Dental to administer dental benefit plan services for the City for the period January 1, 2018 through December 31, 2018, a copy of which is attached hereto.

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan be, and they hereby are, authorized to draw on the Insurance Administration Services Account, Account No. 70411032-521500, in payment same.

Finance & Personnel

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Renewal Summary

A review of experience results, administrative fee for your renewal period, and COBRA rate analysis.

Experience Results

	Experience Period April 2016 - March 2017
Paid Claims	\$414,988
Administrative Fees	\$16,486
Total Cost	\$431,474
Number of Claims	2,063
Average Claims per Employee	5.90
Average Paid Claim	\$201.16
Average Enrollment	350

Administrative Fee For Renewal Period

January 2018 - December 2018

	Per Employee Per Month
Present Rate	\$3.93
Renewal Rate	\$4.13
Percent Change	5.1%

COBRA Rate Projections For Renewal Period

Revenue Generated at Current COBRA Rates	\$518,513
Projected Total Cost	\$457,752
Calculated Adjustment to Rates	-11.7%
Experience Credibility Factor	69.0%

COBRA Rate Recommendation*

	Current Rates	Renewal Rates	Rate Change
Employees Only	\$46.82	\$46.82	0.0%
Employees w/Family	\$155.14	\$155.14	0.0%
Employees w/Spouse	\$93.64	\$93.64	0.0%
Employees w/Children	\$105.58	\$105.58	0.0%

* The recommended rates do not include the plan sponsor's 2% administrative allowance.

CITY OF SHEBOYGAN

90511-00000

 DELTA DENTAL

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Various renewals for 2018 benefit programs for employees.
Agenda Item:

3.2/Res. No. 105-17-18: COBRA Administration

COBRA administration is currently handled in-house. In an effort to stream-line the process, the recommendation to move to Diversified Benefits was made through the City of Sheboygan's brokerage firm, Diversified Insurance.

3.3/Res. No. 106-17-18: Transplant Insurance Coverage

UHC-Optum continues to provide administrative services. Monthly rates for single employees is increasing from \$5.20 to \$5.30; monthly rates for family coverage are increasing from \$12.46 to \$12.71 (a two percent increase in both categories).

3.4/Res. No. 107-17-18: Medical Insurance Plan

United Health Care will continue to administer the program. A 1.3 percent increase in administration fees is effective January 1, 2018.

3.5/Res. No. 108-17-18: Dental Insurance Plan

Delta Dental will continue to administer the program. No changes in administrative fees for 2018.

3.6/Res. No. 109-17-18: Flexible Spending

Diversified Benefits Services will continue to administer the benefits. A flex-renewal will be implemented in 2018 at a rate of \$0.10 per participant per month or approximately 2.4 percent

3.8/Res. No. 111-17-18: Medical Stop-Loss Insurance

Sun-Life Insurance will continue to provide stop loss coverage. The plan costs are

increasing by 22 percent even with an increase in deductible to \$165,000 (up from the current \$150,000).

STAFF COMMENTS:

See comments above.

ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

ATTACHMENTS:

- I: Res. 105-17-18 / COBRA
- II: Res. 106-17-18 / Optum's Managed Transplant Program Coverage
- III: Res. 107-17-18 / UMR Renewal
- IV: Res. 108-17-18 / Deltal Dental
- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

III

4.7

Res. No. 109 - 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the appropriate City officials to enter into an agreement with Diversified Benefit Services, Inc. to administer the Flexible Benefit Plan for the period January 1, 2018 through December 31, 2018.

RESOLVED: The City allows employees to enroll in a flexible spending program.

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan enter into a Flexible Benefit Plan Agreement for Services for the time period January 1, 2018 through December 31, 2018.

Finance & Personnel

James A. Boh

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



DI~~V~~ERSIFIED BENEFIT SER~~V~~ICES, INC.

Dedicated to Excellence in Benefit Management Solutions

September 22, 2017

City of Sheboygan
Jenny Lawrence
828 Center Avenue
Sheboygan, WI 53081

Subject: 125-FSA Flexible Benefit Plan Renewal

Dear Jenny,

Thank you for selecting Diversified Benefit Services, Inc. to provide Section 125 - Flexible Benefit Plan services to your organization. The opportunity to continue working with you is greatly appreciated.

Per your Agreement for Service, your Plan will automatically renew January 1, 2018 for one year. You will no longer be required to sign and return the written Agreement upon renewal. DBS will notify you of any rate changes 90 days prior to the start of the new plan year.

Please see below for your monthly fee schedule:

Plan Year	Monthly Fees
01/01/2017 - 12/31/2017	\$4.20/participant/month (\$100 Min.)
01/01/2018 - 12/31/2018	\$4.30/participant/month (\$100 Min.)

We are excited to announce two promotions for your consideration. We continue to provide comprehensive COBRA administration services to employers. Enclosed you will find a flyer outlining our full service COBRA benefits including premium collection. You have entrusted DBS with administering your FSA and we would like the same opportunity to provide you with our high quality of service and peace of mind for your COBRA administration.

As a valued DBS client, we are extending a cost effective promotional COBRA services offer for your consideration. We will waive the setup fee for the upcoming year if you contract with DBS to provide COBRA administration services. To receive a COBRA administration services quote, please contact our office at (800) 234-1229 and ask to speak with a sales representative.

We want to also extend a cost effective promotional Health Savings Account (HSA) services offer for your consideration. If you currently have or are considering an HSA in the future we want to make sure that you know DBS provides high quality HSA services. We will waive the setup fee for the upcoming year if you contract with DBS to provide HSA services. To receive a HSA services quote, please contact our office at (800) 234-1229 and ask to speak with a sales representative.

This COBRA and HSA promotional offer will expire on November 3, 2017.

Thank you for partnering with DBS for the administration of your employee benefit programs.

Sincerely,

DBS Sales Administration Department



DIVERSIFIED BENEFIT SERVICES, INC.

Experts in Benefit Management Solutions

COBRA Administration Expert, Efficient and Cost-Effective

Our comprehensive COBRA package includes:

- Efficient client and plan set-up
- Seamless takeover of current COBRA continuants
- Timely mailing of all required notices
- Thorough tracking of all notices
- Timely and accurate elections processing
- Efficient premium collection process
- Employer, participant and agent online access
- Compliant processes that adhere to the law
- Expert customer service assistance

Look to DBS for comprehensive COBRA services

Properly administering COBRA can be challenging for any employer. Risks are great, worries are many and errors can be costly. Diversified Benefit Services, Inc. (DBS) is here for you.

Our well-trained team provides complete COBRA administration that's cost-effective and compliant, strictly following the law. Enjoy the confidence of exceptional customer service backed by the most advanced web-based software.

Your time is valuable. Partner with DBS for superior COBRA administration.

Contact DBS today to discuss your COBRA needs:
call (800) 234-1229 or visit DBSbenefits.com

Who is DBS?

Diversified Benefit Services, Inc. (DBS) is a Wisconsin based, industry leading third party administrator (TPA) established in 1987. We have hundreds of clients of all sizes located across the country. We provide comprehensive plan design and reimbursement strategies as well as communication and enrollment solutions for FSAs, HRAs, HSAs, COBRA, Tribal Member Benefits and other customized programs. Our services are supported by a robust proprietary software administration system and a knowledgeable, customer focused professional staff.



DBSbenefits.com

Diversified Benefit Services, Inc.
P.O. Box 250
Hartford, WI 53029
(800) 234-1229

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 110-17-18, By Alderperson Donohue and Bohren approving the Project Plan and establishing the boundaries for and creation of Tax Incremental District No. 18, City of Sheboygan, Wisconsin.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS: The Finance and Personnel Committee approved on November 6, 2017, the conceptual plan for the creation of the TID 18 to fund infrastructure improvements related to the expansion of the Sheboygan Business Center. As required by the State of Wisconsin for submittal of the TID 18 creation, the Joint Review Board and the City Plan Commission have held a public hearing and approved the creation of the district. The Common Council must approve the resolution creating the district as an Industrial District prior to December 31, 2017.

STAFF COMMENTS:

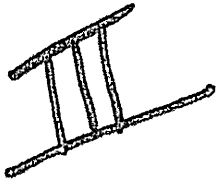
City staff recommends approval of the resolution to create TID No.18 based on the attached project plan and the proposed boundaries.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res. No. 110-17-18, approving the project plan and establishing the boundaries for and creation of Tax Incremental District No. 18, City of Sheboygan, Wisconsin.

ATTACHMENTS:

- I. Res. No. 110-17-18



4.8

Res. No. 110 - 17 - 18 . By Alderperson Donohue and Bohren.
December 4, 2017.

A RESOLUTION approving the Project Plan and establishing the boundaries for and creation of Tax Incremental District No. 18, City of Sheboygan, Wisconsin.

WHEREAS, the City of Sheboygan (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 18 (the "District") is proposed to be created by the City as an industrial district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the District promotes the orderly development of the City;
- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of Sheboygan County, the Sheboygan Area School District, and the Lakeshore Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

Finance + Personnel

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on November 28, 2017 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, after said public hearing, the Plan Commission designated the boundaries of the District, adopted the Project Plan, and recommended to the Common Council that it create such District and approve the Project Plan and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Sheboygan that:

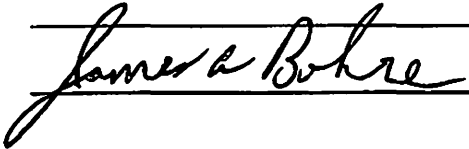
1. The boundaries of the District that shall be named "Tax Incremental District No. 18, City of Sheboygan", are hereby established as specified in Exhibit A of this Resolution.
2. The District is created effective as of January 1, 2018.
3. The Common Council finds and declares that:
 - (a) Not less than 50% by area of the real property within the District is suitable for industrial sites within the meaning of Wisconsin Statutes Section 66.1101, and has been zoned for industrial use.
 - (b) Based upon the findings, as stated in 3.a. above, the District is declared to be an industrial district based on the identification and classification of the property included within the District.
 - (c) The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
 - (d) The equalized value of the taxable property in the District plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
 - (e) The City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b).
 - (f) The project costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.

(g) Any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

4. The Project Plan for "Tax Incremental District No. 18, City of Sheboygan" (attached as Exhibit B) is approved, and the City further finds the Plan is feasible and in conformity with the master plan of the City.

BE IT FURTHER RESOLVED: That the City Clerk is hereby authorized and directed to apply to the Wisconsin Department of Revenue, in such form as may be prescribed, for a "Determination of Tax Incremental Base", as of January 1, 2018, pursuant to the provisions of Wisconsin Statutes Section 66.1105(5)(b).

BE IT FURTHER RESOLVED: That pursuant to Section 66.1105(5)(f) of the Wisconsin Statutes that the City Assessor is hereby authorized and directed to identify upon the assessment roll returned and examined under Wisconsin Statutes Section 70.45, those parcels of property which are within the District, specifying thereon the name of the said District, and the City Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section 70.65 of the Wisconsin Statutes.



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



EHLERS

LEADERS IN PUBLIC FINANCE

November 27, 2017

Project Plan for the Creation of Tax Incremental District No. 18



Organizational Joint Review Board Meeting Held:	Scheduled for: November 28, 2017
Public Hearing Held:	Scheduled for: November 28, 2017
Consideration for Approval by Plan Commission:	Scheduled for: November 28, 2017
Consideration for Adoption by Common Council:	Scheduled for: December 18, 2017
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD



Tax Incremental District No. 18 Creation Project Plan

City of Sheboygan Officials

Common Council

Mike Vandersteen	Mayor
Todd Wolf	Council President
John Belanger	Council Member
Roman Draughon	Council Member
Ronald Rindfleisch	Council Member
Rosemarie Trester	Council Member
Mike Damrow	Council Member
Andy Ross	Council Member
Mary Lynne Donohue	Council Member
Markus Savaglio	Council Member
Scott Lewandoske	Council Member
Henry Nelson	Council Member
Bryan Bitters	Council Member
Andrew Schneider	Council Member
Susan Holzschuh	Council Member
Ryan Sorenson	Council Member
Jim Bohren	Council Member

City Staff

Susan Richards	City Clerk
Darrell Hofland	City Administrator
Chad Pelishek	Director of Planning & Development
David Biebel	Director of Public Works
Nancy Buss	Finance Director
Charles C. Adams	City Attorney

Joint Review Board

City Representative
Sheboygan County
Lakeshore Technical College District
Sheboygan Area School District
Public Member

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SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 18 (the “TID” or “District”) is proposed to be created by the City of Sheboygan (“City”) as an industrial district on property located along Interstate 43. A map of the proposed District boundaries is located in Section 3 of this plan.

Estimated Total Project Expenditures.

The City anticipates making total project expenditures of approximately \$42 million to undertake the projects listed in this Project Plan including financing costs and ongoing development incentives and administrative expenses. The City will be purchasing approximately 95 acres of land following its annexation. The City anticipates completing the infrastructure projects in a second phase. The Expenditure Period of this District is 15 years from the date of adoption of the authorizing Resolution of the Common Council (the “Creation Resolution”). The projects to be undertaken pursuant to this Project Plan are expected to be financed with advances from City funds, increment cash flow and General Obligation debt issued by the City, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is located in Section 10 of this plan.

Economic Development

As a result of the creation of this District, the City projects that additional land and improvements value of approximately \$77.2 million will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment and associated values is located in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the maximum life of this District in the year 2039.

Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or

within the timeframe desired by the City. In making this determination, the City has considered the following information:

- Some of the sites proposed for development have remained vacant due to lack of adequate infrastructure, property previously located outside the city jurisdiction and ownership by multiple parties. Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the City that the use of Tax Incremental Financing (“TIF”) will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the City.
 - In order to make the areas included within the District suitable for development, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments, loans, and other associated costs. The City will also incur substantial costs for Downstream Sanitary Sewer Capacity Improvements as well as pump station capacity improvements in order to allow for development to occur within the District. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development to occur, the City has determined that development of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development of the area is unlikely to occur.
 - The City’s Comp Plan addresses a future expansion of the City’s business center utilizing TIF incentives to encourage development. The creation of this District will help foster business expansion within the City.
2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the City has considered the following information:
- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 - The development expected to occur is likely to generate approximately 750-1000 jobs over the life of the District. *(source: City staff based upon developable acreage).*
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
- If approved, the District’s creation would become effective for valuation purposes as of January 1, 2018. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2018 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the District outweigh the anticipated tax

increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this plan.

4. Not less than 50% by area of the real property within the District is suitable for industrial sites and zoned for industrial use within the meaning of Wisconsin Statutes Section 66.1101. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District will remain zoned for industrial use for the life of the District.
5. Based upon the findings, as stated above, the District is declared to be an industrial District based on the identification and classification of the property included within the District.
6. The project costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.
7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 4% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
10. The Project Plan for the District in the City is feasible, and is in conformity with the master plan of the City.

SECTION 2: Type and General Description of District

The District is being created by the City under the authority provided by Wisconsin Statutes Section 66.1105. This District is created as an “Industrial District” based upon a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wisconsin Statutes Section 66.1101 (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test).

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The City intends that TIF will be used to assure that industrial, distributor and related private development locates in this District. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote industrial development within the District. The goal is to increase the tax base and to provide for and

preserve employment opportunities within the City. The project costs included in this Plan relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.

Based upon the findings, as stated within this Plan, the District is declared to be an industrial District based on the identification and classification of the property included within the district.

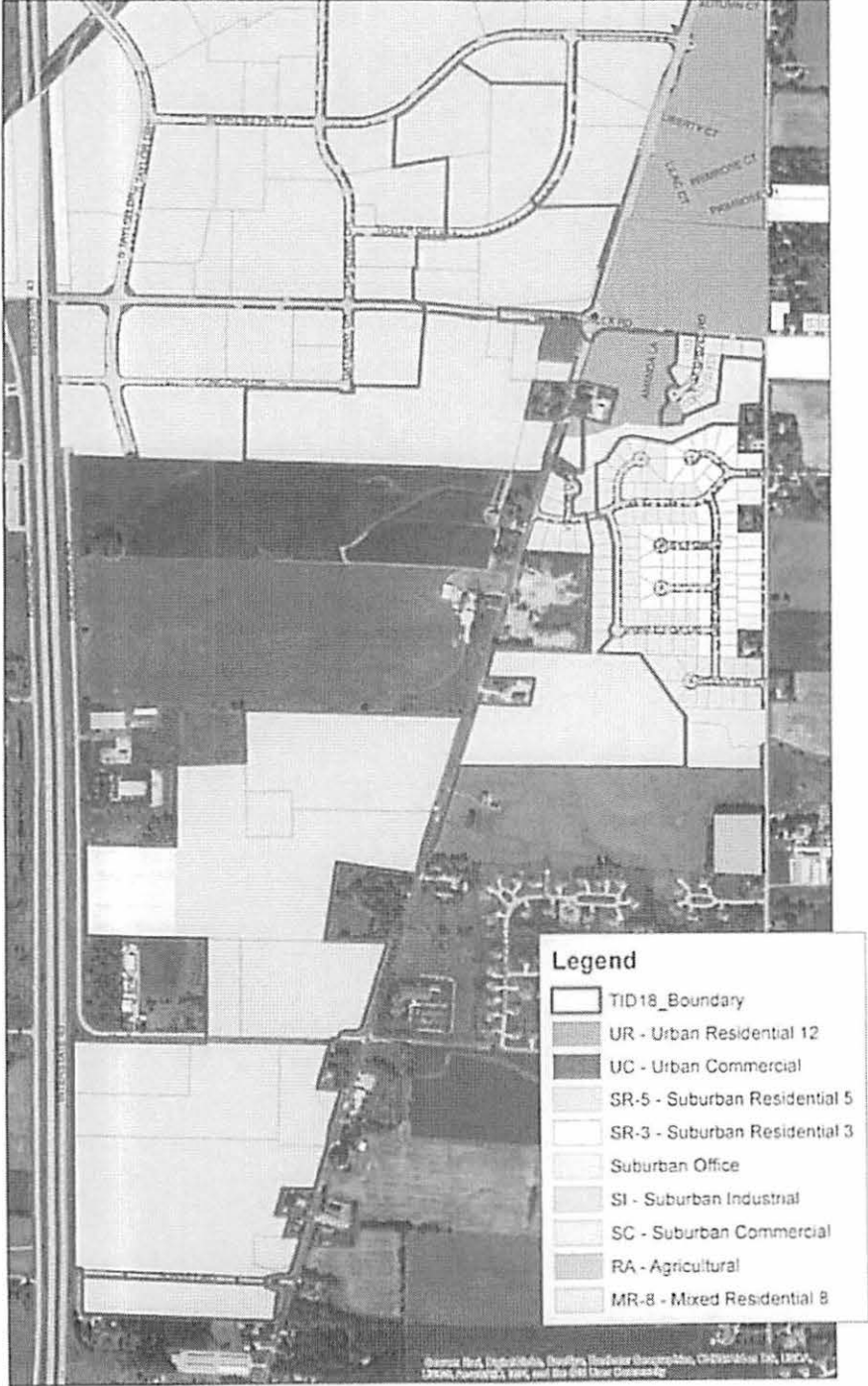
SECTION 3:
Preliminary Map of Proposed District Boundary

TID 18 Parcels



SECTION 4:
Map Showing Existing Uses and Conditions

TID 18 Zoning



SECTION 6: Equalized Value Test

The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section.66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$137,344,580. This value is less than the maximum of \$314,352,600 in equalized value that is permitted for the City of Sheboygan. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

City of Sheboygan, Wisconsin				
Tax Increment District # 18				
Valuation Test Compliance Calculation				
District Creation Date	1/1/2018			
	Valuation Data	Dollar	Percent	Valuation Data
	Currently Available	Charge	Change	Est. Creation Date
	2016			
Total EV (TID In)	2,619,605,000			2,619,605,000
12% Test	314,352,600			314,352,600
Increment of Existing TIDs				
Existing	126,449,300			126,449,300
Total Existing Increment	126,449,300			126,449,300
Projected Base of New or Amended District	10,895,280			10,895,280
Total Value Subject to 12% Test	137,344,580			137,344,580
Compliance	PASS			PASS

SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

The following is a list of public works and other TIF-eligible projects that the City expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

In order to promote and facilitate development and/or redevelopment the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

In order to promote the objectives of this Plan, the City intends to acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving sensitive natural features; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

Site Preparation Activities

Environmental Audits and Remediation

There have been no known environmental studies performed within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediations are eligible Project Costs.

Demolition

In order to make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving areas of the District. To allow development to occur, the City will need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Section 66.1105(2)(f)1 k.

Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow development to occur, the City will need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

There are inadequate street improvements serving areas of the District. To allow development to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

In order to attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

CDA Type Activities

Contribution to Community Development Authority

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Revolving Loan/Grant Program

To encourage private redevelopment consistent with the objectives of this Plan, the City, through its CDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Property Tax Payments to Town

Property tax payments due to the Town under Wisconsin Statutes Section 66.1105(4)(gm)1. as a result of the inclusion of lands annexed after January 1, 2004 within the boundaries of the District are an eligible Project Cost.

Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District: Possible street and intersection improvements as well as possible development incentives.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

SECTION 8:
Map Showing Proposed Improvements and Uses

CITY TO PROVIDE MAP SHOWING THE LOCATIONS OF THE PROJECTS IDENTIFIED ON PAGE 19,
THROUGHOUT THE BOUNDARY.

SECTION 9: Detailed List of Project Costs

All costs are based on 2017 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2017 and the time of construction. The City also reserves the right to increase certain project costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without amending the Plan.

Proposed TIF Project Cost Estimates

City of Sheboygan, Wisconsin					
Tax Increment District # 18					
Estimated Project List					
Project ID	Project Name/Type	Phase I 2018	Phase II 2018	Ongoing with Cash Flow	Total (Phase I)
1	Grading		4,100,610		4,100,610
2	Street Construction		2,525,798		2,525,798
3	Storm Sewer		2,600,825		2,600,825
4	Sanitary Sewer		2,436,350		2,436,350
5	Water Main		2,700,900		2,700,900
6	Stormwater management		100,000		100,000
7	Street Lighting		244,283		244,283
8	Pump Station Capacity Upgrades		1,344,500		1,344,500
9	Allowance for Downstream Sanitary Sewer Capacity Improvements		3,000,000		3,000,000
10	Wetland Mitigation		150,000		150,000
11	Entrance Monuments		300,000		300,000
12	Landscaping		172,000		172,000
13	Legal, Engineering, Contingencies		2,951,290		2,951,290
14	Land Acquisition	2,588,968			2,588,968
15	Developer Incentives (PAGO not forecasted in cash flow)/Revolving loan fund	0		3,425,000	3,425,000
16	TID creation and Administration	30,000			30,000
17	Ongoing Administration			2,183,919	2,183,919
18	Town Taxes	200			200
19	Financing Costs			11,163,380	11,163,380
Total Projects		2,619,168	22,626,556	16,772,299	42,018,023
Notes:					
Note 1: Project costs are estimates and are subject to modification.					

SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

Available Financing Methods

Implementation of this Plan may require that the City issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the City has a G.O. debt limit of \$130,980,250, of which \$96,205,669 is currently unused and could be made available to finance Project Costs.

Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

Tax Increment Revenue Bonds

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by a Community Development Authority (CDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of the its various systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

Special Assessment "B" Bonds

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development occurs to assure increment is sufficient to cover expenses.

It is anticipated that whenever possible, developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.

Implementation and Financing Timeline

City of Sheboygan, Wisconsin Tax Increment District # 18 Estimated Financing Plan			
	G.O. Bond 2018	Increment Cash flow Ongoing	Totals
Projects			
Phase I	2,618,968	200	2,619,168
Phase II	22,626,556		22,626,556
Ongoing		16,772,299	16,772,299
Total Project Funds	25,245,524	16,772,499	42,018,023
Less Funds on Hand or Advance from City	(1,818,968)		
Estimated Finance Related Expenses			
Municipal Advisor	55,800		
Bond Counsel	30,000		
Rating Agency Fee	18,500		
Paying Agent	675		
Underwriter Discount	12.50 302,313		
Contingency/ Disclosure counsel	18,000		
Capitalized Interest	361,534		
Total Financing Required	24,213,377		
Estimated Interest	0.25% (31,557)		
Assumed spend down (months)	6		
Rounding	3,180		
Net Issue Size	24,185,000		24,185,000
Notes:			

City of Sheboygan, Wisconsin										
Tax Increment District # 18										
Development Assumptions										
Construction Year		Actual	FedX	Spec Industrial	Car Dealership	Industrial Development	Acres	Annual Total	Construction Year	
1	2018		8,500,000	6,000,000				14,500,000	2018	1
2	2019				2,000,000	9,200,000	20	11,200,000	2019	2
3	2020					9,200,000	20	9,200,000	2020	3
4	2021					6,900,000	15	6,900,000	2021	4
5	2022					6,900,000	15	6,900,000	2022	5
6	2023					5,520,000	12	5,520,000	2023	6
7	2024					4,600,000	10	4,600,000	2024	7
8	2025					4,600,000	10	4,600,000	2025	8
9	2026					4,600,000	10	4,600,000	2026	9
10	2027					4,600,000	10	4,600,000	2027	10
11	2028					4,600,000	10	4,600,000	2028	11
12	2029							0	2029	12
13	2030							0	2030	13
14	2031							0	2031	14
15	2032							0	2032	15
16	2033							0	2033	16
17	2034							0	2034	17
18	2035							0	2035	18
19	2036							0	2036	19
20	2037							0	2037	20
Totals		0	8,500,000	6,000,000	2,000,000	60,720,000		77,220,000		

Notes:	Developable Acres	132	132
Assumed value per acre based discounted value of Southeastern WI developed business park	Assumed value per acre	460,000	60,720,000

City of Sheboygan, Wisconsin Tax Increment District # 18 Tax Increment Projection Worksheet

Type of District	Industrial	Base Value	10,895,280	
District Creation Date	January 1, 2018	Appreciation Factor	0.00%	<input checked="" type="checkbox"/> Apply to Base Value
Valuation Date	Jan 1, 2018	Base Tax Rate	525.74	
Max Life (Years)	20	Rate Adjustment Factor		
Expenditure Period/Termination	15 / 1/1/2033	Tax Exempt Discount Rate	3.00%	
Revenue Periods/Final Year	20 / 2033	Taxable Discount Rate	4.50%	
Extension Eligibility/Years	Yes / 3			
Recipient District	No			

Construction Year	Valuation Year	Value Added	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV	
								Calculation	Taxable NPV Calculation
1	2018	14,500,000	0	14,500,000	2020	525.74	373,192	341,524	327,027
2	2019	11,200,000	0	25,700,000	2021	525.74	661,451	929,215	881,694
3	2020	9,200,000	0	34,900,000	2022	525.74	898,235	1,704,040	1,602,484
4	2021	6,900,000	0	41,800,000	2023	525.74	1,075,823	2,605,025	2,428,604
5	2022	6,900,000	0	48,700,000	2024	525.74	1,253,411	3,624,163	3,349,646
6	2023	5,520,000	0	54,220,000	2025	525.74	1,395,482	4,725,769	4,330,928
7	2024	4,600,000	0	58,820,000	2026	525.74	1,513,674	5,886,027	5,349,621
8	2025	4,600,000	0	63,420,000	2027	525.74	1,632,266	7,100,586	6,400,682
9	2026	4,600,000	0	68,020,000	2028	525.74	1,750,658	8,365,299	7,479,435
10	2027	4,600,000	0	72,620,000	2029	525.74	1,869,050	9,676,213	8,581,546
11	2028	4,600,000	0	77,220,000	2030	525.74	1,987,442	11,029,564	9,703,003
12	2029	0	0	77,220,000	2031	525.74	1,987,442	12,343,497	10,776,168
13	2030	0	0	77,220,000	2032	525.74	1,987,442	13,619,160	11,893,119
14	2031	0	0	77,220,000	2033	525.74	1,987,442	14,857,668	12,765,848
15	2032	0	0	77,220,000	2034	525.74	1,987,442	16,060,103	13,726,259
16	2033	0	0	77,220,000	2035	525.74	1,987,442	17,227,516	14,626,173
17	2034	0	0	77,220,000	2036	525.74	1,987,442	18,360,926	15,487,335
18	2035	0	0	77,220,000	2037	525.74	1,987,442	19,461,324	16,311,414
19	2036	0	0	77,220,000	2038	525.74	1,987,442	20,529,672	17,100,006
20	2037	0	0	77,220,000	2039	525.74	1,987,442	21,566,903	17,854,639
Totals		77,220,000	0		Future Value of Increment		32,297,859		

Notes:
 Actual results will vary depending on development, inflation of overall tax rates.
 NPV calculations represent estimated amount of funds that would be borrowed (including project cost, construction interest and issuance costs).
 The required tax rate was adjusted downward by 0.00% in anticipation of a decline in the bond rate based upon a rising formula change.

Cash Flow

City of Sheboygan, Wisconsin

Task Increment District # 18

Cash Flow Projection

Year	General Fund						S.D. Bond				Development										Total		Net		
	Tax	Interest	Capital	Industrial	Advance	Other	Series	Rate	Interest	Land	Development	Engineering	Construction	Other	Advance	Payment	Other	Expenses	Revenue	Reserve	Subsidy	Other		Annual	Balance
2017		0.25%																							
2018	28,377		662,538	1,000,000	1,000,000	1,000,000																			
2019	27,742		650,000	1,000,000	1,000,000	1,000,000																			
2020	27,107		637,500	1,000,000	1,000,000	1,000,000																			
2021	26,472		625,000	1,000,000	1,000,000	1,000,000																			
2022	25,837		612,500	1,000,000	1,000,000	1,000,000																			
2023	25,202		599,999	1,000,000	1,000,000	1,000,000																			
2024	24,567		587,500	1,000,000	1,000,000	1,000,000																			
2025	23,932		575,000	1,000,000	1,000,000	1,000,000																			
2026	23,297		562,500	1,000,000	1,000,000	1,000,000																			
2027	22,662		550,000	1,000,000	1,000,000	1,000,000																			
2028	22,027		537,500	1,000,000	1,000,000	1,000,000																			
2029	21,392		525,000	1,000,000	1,000,000	1,000,000																			
2030	20,757		512,500	1,000,000	1,000,000	1,000,000																			
2031	20,122		500,000	1,000,000	1,000,000	1,000,000																			
2032	19,487		487,500	1,000,000	1,000,000	1,000,000																			
2033	18,852		475,000	1,000,000	1,000,000	1,000,000																			
2034	18,217		462,500	1,000,000	1,000,000	1,000,000																			
2035	17,582		450,000	1,000,000	1,000,000	1,000,000																			
2036	16,947		437,500	1,000,000	1,000,000	1,000,000																			
2037	16,312		425,000	1,000,000	1,000,000	1,000,000																			
2038	15,677		412,500	1,000,000	1,000,000	1,000,000																			
2039	15,042		400,000	1,000,000	1,000,000	1,000,000																			
2040	14,407		387,500	1,000,000	1,000,000	1,000,000																			
Total	1,352,877	2,274,400	602,500	8,000,000	8,000,000	8,000,000																			

Notes: Land use fee of \$0.00 per square foot of 175,000
 Average bond coupon higher based on long interest rate and lower coupon bond
 Land use fee based on \$0.00 per square foot for construction of new development
 Interest rates based upon West Allis #22 Land \$12.50% and Lakeview #22 Land \$12.50% rates. All
 Formulas (1) are not provided for development to determine the amount of bond payments to be included in the cash flow

SECTION 11: Annexed Property

Property (or *Properties*) proposed for inclusion within the District was (or *were*) annexed by the City on or after January 1, 2004. To satisfy the requirements of Wisconsin Statutes Section 66.1105(4)(gm)1., the City pledges to pay to the Town of Wilson for each of the next five years an amount equal to the property taxes levied on the annexed property (or *properties*) by the Town at the time of annexation.

SECTION 12: Estimate of Property to be Devoted to Retail Business

Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the City estimates that 4% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 13: Proposed Zoning Ordinance Changes

The City anticipates that a portion of the District will be rezoned prior to development and any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Sheboygan Ordinances

It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

SECTION 15: Relocation

It is not anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

SECTION 16: Orderly Development of the City of Sheboygan

The District contributes to the orderly development of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity. This area opens up industrial development opportunities along the Interstate 43 corridor.

SECTION 17: List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

Examples would include:

A public improvement made within the District that also benefits property outside the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

A public improvement made outside the District that only partially benefits property within the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

Projects undertaken within the District as part of the implementation of this Project Plan, with costs that are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City may incur non-project costs in the implementation of this Project Plan.

**SECTION 18:
Opinion of Attorney for the City of Sheboygan Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105**

November 28, 2017

SAMPLE

Mayor Mike Vandersteen
City of Sheboygan
828 Center Avenue
Sheboygan, Wisconsin 53081

RE: City of Sheboygan, Wisconsin Tax Incremental District No. 18

Dear Mayor:

As City Attorney for the City of Sheboygan, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Charles C. Adams
City of Sheboygan

Exhibit A:
 Calculation of the Share of Projected Tax Increments
 Estimated to be Paid by the Owners of Property in the
 Overlying Taxing Jurisdictions

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.								
Statement of Taxes Data Year:		2016			Percentage			
County		12,802,569					19.61%	
Special District							0.00%	
Municipality		25,349,877					38.82%	
School District of Kohler		1,496,426					2.29%	
School District of Sheboygan Area		23,774,891					36.41%	
Technical College		1,871,939					2.87%	
Total		65,285,702						

Revenue Year	County	Special District	Municipality	School District of Kohler	School District of Sheboygan Area	Technical College	Total	Revenue Year
2020	73,172	0	144,885	8,553	135,883	10,699	373,192	2020
2021	129,691	0	256,796	15,159	240,842	18,963	661,451	2021
2022	176,118	0	348,724	20,585	327,057	25,751	898,235	2022
2023	210,937	0	417,669	24,655	391,719	30,842	1,075,823	2023
2024	245,757	0	486,614	28,725	456,381	35,934	1,253,411	2024
2025	273,613	0	541,771	31,981	508,110	40,007	1,395,482	2025
2026	296,826	0	587,734	34,694	551,218	43,401	1,513,874	2026
2027	320,039	0	633,698	37,408	594,326	46,795	1,632,256	2027
2028	343,253	0	679,661	40,121	637,434	50,189	1,750,658	2028
2029	366,466	0	725,625	42,834	680,542	53,583	1,869,050	2029
2030	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2030
2031	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2031
2032	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2032
2033	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2033
2034	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2034
2035	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2035
2036	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2036
2037	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2037
2038	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2038
2039	389,679	0	771,588	45,548	723,650	56,977	1,987,442	2039
	6,332,661	0	12,539,061	740,192	11,760,010	925,936	32,297,859	

Notes:
 The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Contracts for Renewal

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources & Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Various renewals for 2018 benefit programs for employees.

Agenda Item:

3.2/Res. No. 105-17-18: COBRA Administration

COBRA administration is currently handled in-house. In an effort to stream-line the process, the recommendation to move to Diversified Benefits was made through the City of Sheboygan's brokerage firm, Diversified Insurance.

3.3/Res. No. 106-17-18: Transplant Insurance Coverage

UHC-Optum continues to provide administrative services. Monthly rates for single employees is increasing from \$5.20 to \$5.30; monthly rates for family coverage are increasing from \$12.46 to \$12.71 (a two percent increase in both categories).

3.4/Res. No. 107-17-18: Medical Insurance Plan

United Health Care will continue to administer the program. A 1.3 percent increase in administration fees is effective January 1, 2018.

3.5/Res. No. 108-17-18: Dental Insurance Plan

Delta Dental will continue to administer the program. No changes in administrative fees for 2018.

3.6/Res. No. 109-17-18: Flexible Spending

Diversified Benefits Services will continue to administer the benefits. A flex-renewal will be implemented in 2018 at a rate of \$0.10 per participant per month or approximately 2.4 percent

3.8/Res. No. 111-17-18: Medical Stop-Loss Insurance

Sun-Life Insurance will continue to provide stop loss coverage. The plan costs are

increasing by 22 percent even with an increase in deductible to \$165,000 (up from the current \$150,000).

STAFF COMMENTS:

See comments above.

ACTION REQUESTED:

Motion to request the City Attorney draft a resolution authorizing the appropriate City Officials to enter into agreement to administer the 2018 benefit contracts and/or renewals.

ATTACHMENTS:

- I: Res. 105-17-18 / COBRA
- II: Res. 106-17-18 / Optum's Managed Transplant Program Coverage
- III: Res. 107-17-18 / UMR Renewal
- IV: Res. 108-17-18 / Deltal Dental
- IV: Res. 109-17-18 / Res. Diversified Benefit Flexible Spending
- V: Res. 111-17-18 / Stop Loss

III

4.9

Res. No. III - 17 - 18. By Alderperson Donohue. December 4, 2017.

A RESOLUTION authorizing the City to enter into contract for obtaining Medical Stop-Loss Insurance, with Sun Life coverage in 2018 will be 165,000/unit.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into contract with Sun Life for providing specific medical stop loss insurance at a cost of \$64.04 single/month, \$141.74 family/month, at an estimated annual premium of \$561,247.59 for the period of January 1, 2018 through December 31, 2018.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw orders on the City's Insurance Fund Account Number 70411030-521500 in payment of same.

Finance & Personnel

James A Boh

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Renewal options

On this page, sign to authorize the rates and initial to select the renewal you want

Policyholder name: City of Sheboygan	Authorized signature: <i>Sandy Rohrick</i>
Account number: 239101	Printed name: <i>Sandy Rohrick</i>
Renewal status: Open	Printed title: <i>Director of Human Resources & Labor Relations</i>
	Date signed: <i>11/29/2017</i>

Current and renewal rate summary	
Tier	Employees
Single	140
Family	248
Total	388

Specific Stop Loss policy details and renewal options				
Plan thresholds	Current	Renewal	Renewal option 1	Renewal option 2
Individual Specific deductible	\$150,000	\$150,000	\$165,000	\$175,000
Aggregating Specific deductible	\$75,000	\$75,000	\$75,000	\$75,000
Annual maximum	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime maximum	Unlimited	Unlimited	Unlimited	Unlimited

Specific rates				
Claims basis	Current PAID	Renewal PAID	Renewal option 1 PAID	Renewal option 2 PAID
Benefits covered	Medical and Rx	Medical and Rx	Medical and Rx	Medical and Rx
Single	\$52.49	\$71.91	\$84.04	\$82.48
Family	\$118.18	\$159.17	\$141.74	\$138.25
Total monthly premium	\$36,181.24	\$49,540.90	\$44,116.71	\$43,031.88
Renewal rate action as a % increase to current monthly premium		37.0%	22.0%	18.0%

Aggregate Stop Loss policy details and renewal options				
Aggregate rates	Current	Renewal	Renewal option 1	Renewal option 2
Aggregate Benefit Maximum	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Per employee per month rate	\$6.51	\$6.84	\$6.84	\$6.84
Total monthly premium	\$2,525.88	\$2,653.82	\$2,653.82	\$2,653.82
Renewal rate action as a % increase to current monthly premium		5.1%	5.1%	5.1%

Aggregate thresholds and rates				
Claims basis	Current PAID	Renewal PAID	Renewal option 1 PAID	Renewal option 2 PAID
Benefits covered	Medical and Rx	Medical and Rx	Medical and Rx	Medical and Rx
Corridor	125%	125%	125%	125%
Composite Aggregate deductible factor	\$1,507.38	\$1,861.13	\$1,700.76	\$1,725.60
- Medical	\$1,080.28	\$1,201.49	\$1,241.11	\$1,285.88
- Rx Drug	\$417.10	\$459.64	\$459.64	\$459.64
Minimum Attachment Point	\$526,377.10	\$580,667.67	\$563,604.94	\$602,676.28
Estimated monthly renewal liability	\$584,863.44	\$644,616.53	\$656,894.38	\$669,832.83
Renewal rate action as a % increase to current monthly aggregate deductible factors		10.2%	12.8%	14.5%

Total estimated annual plan costs				
Total costs	Current	Renewal	Renewal option 1	Renewal option 2
Total annual premium	\$464,245.44	\$628,337.83	\$561,247.59	\$548,225.55
Annual Aggregate Attachment Point	7,018,301.26	7,734,234.32	7,818,732.51	8,034,380.34
Total estimated self-funded plan costs	\$7,482,606.72	\$8,360,572.14	\$8,479,880.10	\$8,582,618.89
Renewal rate action as a % increase to total estimated annual plan cost		11.7%	13.3%	14.7%

Select renewal option			
Initial selected renewal option			

The rates agreed upon in this renewal acceptance form are effective on the policy renewal date and take precedence over any billing statements that may be received in the interim.

Renewal options, continued

On this page, sign to authorize the features, services, and assumptions included in your renewal

Policyholder name:	City of Sheboygan
Account number:	239101
Authorized signature:	<i>Sandy Rohrick</i>
Printed name:	Sandy Rohrick
Printed title:	Director of Human Resources and Labor Relations
Date:	1-29-2017

Specific Stop-Loss coverage

The following options and programs are included in your policy:

Options:

- **No New Lasers at Renewal option with Renewal Rate Cap of 50%**
This option prevents new lasers. The rate cap applies to Specific rates and the Aggregating Specific deductible (if applicable), and it assumes there are no material changes to the underlying plan, the Sun Life Stop-Loss policy, or the covered group.
- **Mirroring Endorsement**
Mirroring of your plan document is subject to review and approval by Sun Life and may affect the quoted rates. To include this endorsement with your policy, within 90 days of the policy effective date, we need your plan document and an executed Renewal Options signature page.
- **Simultaneous Reimbursement option**
- **Retiree coverage**
- **Rx claims are included and bundled with the administration (no carve-out PBM)**
This proposal assumes that your stop-loss insurance will include coverage for prescription drug claims and that the standard large claimant reporting from your medical administrator will include both medical and prescription drug claims. Based on the information provided, your PBM vendor is OptumRx.

Programs:

- **[New!] SunElite™ medical document review service**
This program is available to all Sun Life Stop-Loss customers.
- **SunExcel® Centers of Excellence transplant program**
This exclusive program is provided to all Sun Life Stop-Loss customers.
- **SunResources® preferred network program**
This exclusive program is provided to all Sun Life Stop-Loss customers

Experience Rating Refund:

On each Policy Anniversary, a retrospective Experience Rating Refund process is applied to the Specific Benefit.

If the Loss Ratio Percentage for the Policy Year is less than 70%, then 50% of the Surplus—up to a maximum of 20% of the Net Premium paid

The Experience Rating Refund Endorsement is subject to the following conditions:

- "Surplus" will equal 70%, less the Loss Ratio Percentage for the Policy Year, multiplied by the Net Premium paid by the policyholder
- The "Loss Ratio Percentage" will equal the total dollar amount of all Specific Benefit claims paid by Sun Life divided by the Net Premium
- "Net Premium" will equal the premium paid to Sun Life for the Policy Year, less the commission paid by Sun Life for the Policy Year

The total dollar amount of Specific Benefit claims paid by Sun Life will be determined after the end of the Policy Year and the Run-Out Period

If an Experience Rating Refund is payable, it will be paid within 30 days after the calculation is made. In order to receive an Experience Rating Refund

The following are not included in your policy:

- **Clinical Trials option**
- **Electronic Funds Transfer**
- **Terminal Liability option**

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CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Update of City Administrator's Job Description Performance Evaluation

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources and Labor Relations

REPORT DATE: December 5, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The City of Sheboygan non-represented employees receive performance evaluations on a yearly basis. In reviewing the job description for the City Administrator, the following Evaluation Section statement is listed: "The City Administrator shall be evaluated on an annual basis by the Strategic Fiscal Planning Committee to include at a minimum, the Mayor, President and Vice President of the Common Council. All would evaluate separately. The results will be compiled into one. The Mayor and President of the Council will meet with the City Administrator and go over the evaluation." With the changes in committees announce in April 2017, the Strategic Fiscal Planning Committee was eliminated, making this portion of the job description obsolete.

STAFF COMMENTS:

The Committee should review the current language and modify as appropriate. Evaluation Section of the City Administrator's job description should be updated to read as follows: The City Administrator shall be evaluated on an annual basis by the Council President, Council Vice President and the Mayor.

ACTION REQUESTED:

Motion to update Evaluation Section of the City Administrator's job description to read as follows: The City Administrator shall be evaluated on an annual basis by the Council President, Council Vice President and the Mayor.

ATTACHMENTS:

- I. Job Description for the City Administrator



Job Description

Job Title:	City Administrator	Department:	Administrative
Date Issue:	January 11, 2016	Reports to:	Common Council
Classification:	Exempt	Wage:	Salary Grade 16

Position Summary

The City Administrator is responsible for managing the operation of the city and reports directly to the Common Council. The City Administrator directs, supervises and coordinates the work of all city departments. The City Administrator leads strategic planning for the Common Council and city departments, goal setting and policy development consistent with the City of Sheboygan's mission, vision and value. The City Administrator ensures that city government is result oriented. The City Administrator demonstrates ability in organizational effectiveness, performance, measurement and budget accountability.

Essential Duties and Responsibilities:

1. Develop and implement an annual budget process at the direction of the Common Council and with input from the Mayor.
2. Develop and lead the Common Council and city departments in a regular strategic planning process and implementation, with input from the Mayor.
3. Lead, direct, supervise and evaluate all city department heads and any other direct reports with respect to each department's duties and strategic goals, including, but are not limited to, hiring of department heads; planning and directing department work in consultation with department heads; with input from the Mayor. Evaluates non-elected department heads (including fire and police); directs and supervises salary administration. [Non-elected department heads report to the CITY ADMINISTRATOR.]
4. Implement actions of the Common Council and implement administrative matters under the direction of the Council with input from the Mayor.
5. Establish and maintain procedures to facilitate communications between citizens and city government to ensure that complaints, grievances, and other matters receive prompt attention by the responsible department and ensure that all such matters are expeditiously resolved.
6. Recommend to the Common Council measures that the CITY ADMINISTRATOR considers necessary for the improvement of city services and performance; conducts research, prepares reports and makes recommendations to the Mayor and the Common Council.
7. Serve as an ex-officio nonvoting member of city standing committees, except as specified by the Common Council or state statute.

8. Attend meetings of the Common Council, assisting the Mayor and Council as required in the performance of their duties. Provide information as requested by the Common Council or its committees, or other committees of the city.
9. Act as public information officer for the city.
10. Collaborate with the Human Resources department to determine leadership development needs; design and sponsor leadership development programming for the city.
11. The City Administrator consults with the Mayor, President, and Vice President on an as-needed basis.

Education and Experience:

Master's degree from accredited college or university required; in the fields of business or public administration preferred. Position requires at least ten years of progressively responsible work experience in municipal or private sector settings with a minimum of five years functioning in a senior leadership position.

Required Knowledge, Skills and Abilities:

1. Ability to develop and sustain positive working relationships with staff and alderpersons.
2. Ability and experience in using excellent communication skills.
3. Ability to provide leadership in collaborative efforts, direction and focus with the ability to delegate authority as required.
4. Ability and skills to take strong leadership initiatives, implement innovative practices and implement city initiatives effectively
5. Experience in human resources management, budgeting and financial administration.
6. Knowledge and experience in establishing and using performance measurement.
7. Knowledge of public sector collective bargaining.
8. Knowledge, skill and experience in principles and best practices of municipal financial management, municipal organizations, leadership development.
9. Skill and knowledge regarding principles and techniques of public relations.
10. Skill in implementing excellent customer service principles and practices.
11. Knowledge of federal, state and other laws and regulations affecting municipal government.
12. Significant knowledge and experience in team building, planning, organizing and directing the work of others.
13. Ability to conduct sound research and to develop effective recommendations for policies and implementation procedures.

Evaluation:

The City Administrator shall be evaluated on an annual basis by the Strategic Fiscal Planning Committee to include, at a minimum, the Mayor, President and Vice President of the Common Council. All would evaluate separately. The results will be compiled into one. The Mayor and President of the Council will meet with the City Administrator and go over the evaluation.

Physical Demands:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is regularly required to talk and hear. The employee frequently is required to sit. The employee is occasionally required to stand and walk. The employee must regularly lift and/or move up to 10 pounds.

The City of Sheboygan, Wisconsin is an Equal Opportunity Employer

In compliance with the Americans with Disabilities Act, the City of Sheboygan will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the employer.

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2018 Non-Represented Compensation Plan

REPORT PREPARED BY: Sandy Rohrick, Director of Human Resources and Labor Relations

REPORT DATE: December 8, 2017

MEETING DATE: December 11, 2017

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

On a yearly basis, the City of Sheboygan reviews the Non-Represented Employee Compensation Program. Any revisions are documented and reviewed with the Finance and Personnel Committee. All approved modifications are presented to City Council for consideration and/or approval.

STAFF COMMENTS:

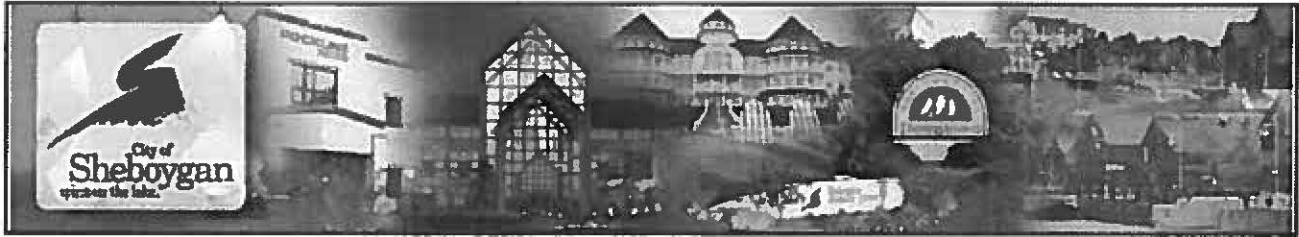
A comprehensive review of the Non-represented Compensation Program took place earlier in the calendar year. Modifications to the plan were previously approved. However, one update has been added. Exhibit 9, 2018 City of Sheboygan Permanent Non-Represented Position, now includes all Library positions.

ACTION REQUESTED:

Motion to request Common Council approve the resolution, updating the Non-represented Compensation Plan for the calendar year 2018.

ATTACHMENTS:

- I: City of Sheboygan Compensation Program for Non-represented Employees 2018
- II. 2018 City of Sheboygan Permanent Non-Represented Positions



CITY OF SHEBOYGAN

COMPENSATION PROGRAM

FOR

NON-REPRESENTED EMPLOYEES

CALENDAR YEAR 2018



Resolution to Amend to Council: December 18, 2017

Agenda Item Finance and Personnel Committee: December 11, 2017
Substitute of Resolution.

Approval by City Council:

(Replaces 2018 Non-Rep Comp Plan adopted by way of Res. xxx-17-18)

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I. EXECUTIVE SUMMARY

Approximately ten years ago, the City of Sheboygan completed a comprehensive review of the compensation program in place at that time for Non-Represented employees. Many current Non-Represented positions were covered under collective bargaining agreements and were not included in the review. In 2012, when various collective bargaining agreements dissolved, all positions were melded into the sixteen salary grades that were identified in an range that reasonably fit the pay.

In the past few years, two noticeable changes have occurred in the approach to compensation. First, most public employers and other professional organizations have adopted a “market-based” approach rather than a standard pay grade approach. This approach evaluates the position and determines the fair market value (also known as the “Control Point”) for an employee who is fully trained in the position. The second noticeable change is the accelerated fashion a new employee receives market value once trained.

During the first part of calendar year 2017, a review was completed by Sandy Rohrick, the Director of Human Resources and Labor Relations. This review ultimately re-categorized employees in a new pay scale. In some cases, job titles changes are recommended. In all cases, placement in a pay range was based on the most appropriate market rate based on the actual job duties. This is often a complicated process due to cross functioning departments and responsibilities both in the City of Sheboygan and with other municipalities. As such, in addition to reviewing various compensation studies throughout the State of Wisconsin, many one-on-one communications took place with various Human Resources Departments of comparable locations. The results of this review are listed in this document.

This approach was previously adopted in the City of Sheboygan Department of Public Works, which introduced a modified step increase program for employees under the control point. This was launched in 2017, with the step increase program starting in 2018. This move provides advanced acceleration in pay for those in training and hopes to provide a more defined career path for trained employees.

II. GENERAL COMPENSATION PHILOSOPHY

The salary and benefits provided by the City of Sheboygan to its employees are to attract and retain the most qualified and competent individuals to perform and provide quality public services to the citizens of Sheboygan. For this reason, the City will provide salaries based on internal equity and external competitiveness.

III. GENERAL PROGRAM DEFINITIONS

Department Head: For all purposes defined under this program, department head includes the following officers: City Administrator, Chief of Police, Fire Chief, Director of Public Works, Human Resources Director, Planning Director, and Information Technology Director, Transit Director, and Finance Director.

Department Head Advisory Committee: Depending on the issue needing guidance, this committee will be appointed as needed by the City Administrator and/or the Mayor and may include Department Heads, elected officials or other non-represented departmental leaders.

Employee(s): Any active, permanent full-time or permanent part-time, non-elected, non-represented employee, not including seasonal, temporary, extra help, or permanent employees whose regular work schedules are under 600 hours per year.

Employer: The City of Sheboygan.

Market Survey: The gathering, compilation, and analysis of market pay information by the Human Resources Department, or any agency or service contracted by the Human Resources Department, in order to determine the market value for each pay grade.

Pay Grade: A group of one or more classifications which have been assigned the same pay range for compensation purposes. All jobs in a pay grade have the same range minimum, midpoint, and maximum rates.

Performance Appraisal Review: The procedure used by the employee's supervisor and/or department head to evaluate the employee's performance throughout the calendar year.

Program: Except where another program is specifically referred to, the compensation program for Non-represented employees.

Salary Range: The pay range assigned to a specific pay grade, and which includes either a defined minimum, midpoint and maximum rate of pay, or a progression step and pay range maximum based upon comparable market information.

IV. ROLE OF THE HUMAN RESOURCES DEPARTMENT IN COMPENSATION ADMINISTRATION

The Human Resources Department shall be responsible for the following compensation administration activities:

1. Developing, implementing, and monitoring organization-wide compensation policies, procedures and programs, and ensuring adherence to them.
2. Developing and maintaining current job analysis and job description information throughout the organization, continually monitoring changes to the jobs, and revising analyses and job descriptions as appropriate.
3. Providing analysis and recommendations to support the annual compensation policies to be made by the Common Council as described in Section VII or VIII.
4. Providing compensation administration reports and data needed for effective program review and control.
5. Developing recommendations for and implementation of approved pay rates, pay structures and pay practices; reviewing market data to determine changes necessary to ensure that the organization is competitive within the relevant municipal and private sector labor markets.
6. Ensuring compliance with wage and hour laws and regulations.

7. Consulting with external compensation consultants and/or experts, as well as internal managers, supervisors, and employees on compensation and performance management problems and issues.
8. Developing, implementing and monitoring performance management policies, procedures and programs. This includes developing and reviewing the effectiveness of performance appraisal activities and ensuring that employees receive timely and accurate appraisals.
9. Preparing updates to the compensation program document contained herein for council review and approval, and providing this information to all employees covered by the program.
10. Educating employees on the current compensation program.

V. ROLE OF THE INDIVIDUAL DEPARTMENT IN COMPENSATION ADMINISTRATION

The individual departments shall be responsible for the following compensation administration activities:

1. Ensuring that approved compensation administration policies, programs, and procedures are followed in all divisions within the department.
2. Reviewing and approving all job descriptions and ensuring that the Human Resources Department is informed of all new and changed jobs so that jobs can be re-analyzed and new job descriptions can be developed.
3. Reviewing each employee's performance at least once a year and recommending any salary increase deemed appropriate. This task requires discussing the performance review and rating with the individual employee and submitting the required appraisal forms to the Human Resources Department for review and discussion of pay adjustments.
4. Recommending revisions in compensation administration policies, procedures, and practices to the Director of Human Resources and Labor Relations when deficiencies and problems are identified.

VI. ROLE OF THE DEPARTMENT HEAD ADVISORY COMMITTEE IN COMPENSATION ADMINISTRATION

The role of the Department Head Advisory Committee in compensation is one of providing a broad-based review of, and input into, overall compensation activities. The Department Head Advisory Committee on this issue includes the City Administrator, all Department Heads, the City Attorney, the Mayor, and the City Clerk. The Human Resources Director acts as Chairperson for personnel related matters.

The Department Head Advisory Committee will perform two (2) specific roles:

1. At the request of the Director of Human Resources and Labor Relations, provide counsel and assistance with regard to the integrity and effectiveness of the compensation program for non-represented employees;
2. Review and provide input into the annual major pay policy recommendations made by the Director of Human Resources and Labor Relations, before presentation to the Finance and Personnel Committee (see Section VII).

All recommendations of the Department Head Advisory Committee shall be non-binding to the Director of Human Resources and Labor Relations, and for matters which come before them, the Finance and Personnel Committee.

VII. ROLE OF THE FINANCE AND PERSONNEL COMMITTEE IN COMPENSATION ADMINISTRATION

The Finance and Personnel Committee shall be responsible for the overall administration of the compensation plan in coordination with the Director of Human Resources and Labor Relations, the Department Head Advisory Committee, the Common Council and other appropriate resources.

The Finance and Personnel Committee performs the following functions:

1. Approves, subject to Common Council approval, annual recommendations made by the Director of Human Resources and Labor Relations, after input from the Department Head Advisory Committee, regarding major pay policy decisions including:
 - a. range adjustments
 - b. across-the-board increases, (if applicable)
 - c. merit increase annual budget
2. Approves all modifications to the compensation program described herein, for final approval by the Common Council.

VIII. ROLE OF THE COMMON COUNCIL IN COMPENSATION ADMINISTRATION

Each year, the Common Council shall make three (3) major pay policy decisions:

1. How much, if any, pay ranges should be adjusted to be externally and internally competitive;
2. How much, if any, should be budgeted for across-the-board adjustments (if necessary to maintain internal equity);
3. How much should be budgeted for merit increases;

These decisions shall be made based on information and recommendations provided by the Director of Human Resources and Labor Relations, after input from the Department Head Advisory Committee, and approval of the Finance and Personnel Committee.

In addition, upon recommendation of the Director of Human Resources and Labor Relations and the Finance and Personnel Committee, the Common Council shall approve all changes to the overall compensation program described herein.

IX. SALARY STRUCTURE

The City salary structure consists of a specified number of salary ranges for which range minimum, midpoint (market value), and maximum rates of pay are established.

MINIMUM RATE

The salary for any employee shall not be less than the minimum established for their pay grade provided the minimum requirements of knowledge and/or certification of the position are met. **An employee may be hired under the minimum rate in a training capacity. Once that minimum training or minimum required education and/or certifications are met, the employee must be brought to the minimum rate for the position.**

MIDPOINT RATE (ALSO KNOWN AS THE MARKET RATE OR CONTROL POINT)

The midpoint of a range is typically the comparable market average pay for a position.

MAXIMUM RATE

The maximum rate, the top rate for a pay grade, is the maximum salary the City will pay a position. The base salary for any incumbent shall not exceed the maximum rate established for his/her pay grade. Upon implementation of this pay plan, an employee receiving a salary at or in excess of the maximum rate will not be eligible for a pay adjustments until their rate of pay falls below the maximum for the pay range. At that point, the employee is eligible for the amount identified for their performance, not to exceed the top of pay for the position.

Assignment of classifications to the proper salary range is based on the market analysis results described in Section XI.

The salary structure shall be reviewed once each year, and may be adjusted by the Finance and Personnel Committee based on recommendation of the Director of Human Resources and Labor Relations. This recommendation will be based on the following factors:

1. Known or reasonably anticipated range adjustments for the next year reported by comparable employers used in the market analysis;
2. Analysis of economic conditions faced by the City Government (e.g. loss of shared revenues); and
3. Range adjustments occurring in the City's union contracts or reasonably anticipated by the Director of Human Resources and Labor Relations.
4. The Consumer Price Index (CPI) as determined by WDOR (Wisconsin Department of Revenue)

Achieving consistency with the City's stated pay policy (see Section X. A.) and consideration of the above four (4) factors will be the basis of the recommendation.

X. EXTERNAL RELATIONSHIP

A. POLICY

The City's policy is to place its total salary practice at or near the prevailing market practice for jobs of similar content within the City's chosen market as defined herein. The City's policy includes a desire to provide salary advancement opportunities which recognize changes in the economy, differences in performance, and salary levels which are fair compared to the City's internal market (pay levels in the union groups) and local private sector like positions.

B. SALARY SURVEYS

The City's objective is to maintain a level of pay that is competitive with the level of pay for similar skills in other similar public jurisdictions and private sector for which it competes for employees in the marketplace. The City achieves this competitiveness through a systematic method of determining what other jurisdictions in its market pay.

Specific external relationships shall be determined in general every three (3) years, or for a specific job whenever:

1. A salary range midpoint of a classification is insufficient to attract qualified candidates for employment;
2. A continuing turnover pattern in a classification can be directly linked to established compensation levels; or
3. Management deems that specific external relationships must be examined.

C. COMPOSITION OF THE MARKET

The City of Sheboygan recognizes the importance of correctly surveying the market, in order to:

1. Set pay levels which attract a sufficient quantity of qualified applicants to fill open positions.
2. Retain its high-performing, valuable employees over time, in order to recoup training investments, optimize organizational effectiveness, and minimize unwanted turnover.

Market data shall be gathered directly from other cities through public information requests or as part of a participant or direct consultation of other qualified surveys which include, but are limited to, the following jurisdictions:

Appleton	Beloit	Eau Claire	Fond du Lac	LaCrosse
Janesville	Manitowoc	Oshkosh	Sheboygan County	

These jurisdictions were selected based on one or more of the following criteria: similar populations; similar per capita income; and close proximity to Sheboygan. The City shall periodically re-examine the appropriateness of the market base should circumstances arise which the City believes merit the need for such a re-examination.

D. MARKET ANALYSIS PROCESS

As required, the Human Resources Department will work with the department heads to update position descriptions. At a minimum, the position descriptions will contain the following information:

1. Purpose of position.
2. Description of essential functions of the job.
3. Description of marginal functions of the job.
4. Statement of required education and experience.
5. Description of knowledge, skills, and abilities required for the job.

A survey instrument will be created which includes short descriptions of each job and asks for relevant market data including, but not limited to, range minimums, midpoints, maximums, and actual rates. The survey will be sent to the market jurisdictions, with follow-up contacts as necessary. Every reasonable attempt will be made to obtain this information.

1. The Director of Human Resources and Labor Relations will gather pay data from relevant positions within the City's current workforce as a comparable – that is the "internal market".
2. Relevant market data will also be reviewed with both municipal and private industry employers in the area. Wherever possible, the City of Sheboygan will participate in qualified surveys being performed either through other municipalities or will hire an outside agent to perform a survey if necessary. In addition, the Human Resources Department will perform a direct information search, gathering applicable data directly from other municipalities through a public information data request.
3. An adjustment shall be made, if necessary, to the compiled data so that survey information is relevant for the applicable year.

XI. ASSIGNMENT OF POSITIONS TO SALARY GRADES

A. POLICY

It is the intent of the City to provide a compensation program which relates the pay ranges for its classifications to the pay practices in the defined market. Therefore, the assignment of classifications to pay grades within the pay structure shall be based on market data whenever possible.

B. PROCESS

The Director of Human Resources and Labor Relations shall place positions into the appropriate salary grade where the midpoint of the grade is closest to the "market estimate" pay rate identified through the survey process. The market estimate rate, which could also be referred to as the prevailing rate in the market, is the calculated rate of pay which most closely approximates the worth of that position in the market at the time of the survey.

In an effort to maintain internal equity within the pay structure, the Director of Human Resources and Labor Relations shall identify the appropriate pay grade for positions for which there are insufficient market data using reasonable comparison of such jobs with other City jobs.

The assignment of classifications to pay grades shall be recommended by the Director of Human

Resources and Labor Relations and approved by the Finance and Personnel Committee. No employee's salary will exceed the maximum rate in his/her assigned salary range. If assignment to a grade leads to this occurrence, the situation will be resolved as described in Section XII, letter B,7.

At any time, when the applicable criteria indicate the need for a focused market analysis of a specific classification, the relevant market data from the City's market base shall be examined. Should the market data establish the need for a different pay grade assignment, the Director of Human Resources and Labor Relations make such recommendation to the Finance and Personnel Committee for approval.

In some cases, the City may determine that a different market base is warranted, given the specific circumstances of the position and the current market conditions.

XII. WAGE AND SALARY GUIDELINES

A. POLICY

The City recognizes the importance of consistency in determining wages and salaries for its employees. The intent of this policy is to provide guidelines for department heads to follow in the case of a new employee or change in employee status.

B. GUIDELINES

1. Salary Offers to New Employees

Once the best-qualified candidate for the position is identified, the department head and Director of Human Resources and Labor Relations will determine the starting salary that will be offered to the individual. The Department Head or Human Resources Department shall make a conditional offer of employment to the candidate (conditional offers inasmuch as they are contingent on the City of Sheboygan's verification of reference information, completion of any background check, successful completion of any post-offer medical examination/drug screen, and submission of satisfactory employment eligibility documentation required by law and approval by the Finance and Personnel Committee).

The Human Resources Director shall have the authority to approve a salary offer up to the top of pay for the position, with approval from the City Administrator for offers at or above midpoint of the salary range. Any recommendation which exceeds this amount must be approved by the Finance and Personnel Committee. Such recommendations should be based on employment market realities and/or individual qualifications. Because the salary range minimum rate for each grade is linked to the midpoint but does not automatically represent the amount for which individuals can be attracted to public service, some flexibility in setting hiring levels may be necessary to remain competitive.

The following guidelines shall apply to these situations:

- a.) Given the law of supply and demand, once a candidate is chosen, the employee's current rate of pay or most recent rate will be taken into consideration at the time an offer is made.

- b.) Generally speaking, applicants who don't fully meet or barely meet the minimum education and/or experience requirements may be hired lower than the range minimum for the pay grade in which their position has been placed. Applicants in the category must demonstrate a propensity to gain the necessary skills within a reasonable time. (An example may be driver who needs a CDL to perform a certain position and is actively enrolled in a training program at the time an offer of employment is made. The new employee may be hired less than the minimum pay until the driver becomes certified with a CDL, at which time the employee will be brought to the minimum pay for the position.)
- c.) Once an employee is paid the maximum salary range, no additional compensation will be issued until the point at which a range is recommended to increase.

2. Salary upon Promotion

A promotion is defined as a change by an employee from one position to another which has a higher salary range. At a minimum, promoted employees shall be placed at either the minimum rate in the new salary range, or their current salary, whichever is greater. Every promotion is unique. A reasonable approach will be taken to provide an appropriate incentive for the chosen candidate. All promotional salary offers must be approved by the Director of Human Resources and Labor Relations.

3. Salary upon Demotion

When an employee is unable to perform the position they hold, they will either be laid off or demoted. Each situation is unique as it depends on availability of additional positions and/or the employees qualifications. Generally, if an employee is demoted, they will experience a pay reduction. The demoted employee will need to demonstrate the ability to perform the essential functions in a new position and will be paid an appropriate level of pay considering their abilities and the pay scale of the new position.

4. Salary upon Transfer

An employee who transfers or is transferred from one classification to another classification in the same pay grade shall receive no salary adjustment, provided the transferred employee can perform the essential functions of the new position.

5. Salary upon Change in Pay Grade Due to Market Survey Analysis

When, as a result of the market survey analysis periodically undertaken by the City, an employee's classification is placed into a different pay grade, there will typically be no salary adjustment. If the employee's present salary is at the top pay for the grade or more than the new range maximum, the employee will not be eligible for an increase to his/her base pay while his/her salary equals or exceeds the range maximum.

6. Equity Adjustments

Pay is market driven. Equity adjustments are available, typically in the form of a one-time adjustment to realign the employee's salary to market value for the position.

7. Part-Time Employment

Part-time employees are those in which the employee is normally scheduled to work less than forty (40) hours in a work week. This includes intermittent positions working up to eight (8) hours per day on an irregular and uncertain schedule which alternately begins, ceases, and begins again as the needs of the City require. Part-time employees shall be hired

at a pay grade which is equivalent to or compatible with the hiring rates established for similar full-time classifications. Permanent part-time employees shall be eligible for salary increases under the same manner as full-time employees

XIII. COMPENSATION ADMINISTRATION

A. POLICY ON SALARY INCREASES

The purpose of the City's pay increase policy is to establish and maintain an appropriate relationship between an employee's performance and pay. The system provides management with a mechanism to recognize individual accomplishments and to relate them to pay increases. The Merit Adjustment Program is intended to reward employee growth in a job as well as to differentiate in levels of performance and contribution.

Generally speaking, temporary and/or seasonal part-time employees may be paid at market rate due to the temporary nature of the position, even with returning employees. The position may or may not qualify for an increase from one year to the next.

The City's pay increase policy is designed to attract and retain high-quality employees, to reward employees in accordance with performance on the job, and to motivate employees to their highest level of performance. Above all else, the City treats its employees as individuals and as members of the team by allowing employees to influence their pay opportunities through performance on the job.

Employees are encouraged at all times to work to the best of their abilities, to find ways to eliminate unnecessary work, and to discuss with their supervisor how tasks can be better performed. The result of employee contribution is a more productive City government -- a City more able to meet its obligations to the citizenry, respond to changes in technology and in the workplace, and a City that understands and satisfies the needs of its customers. The City's success and its ability to support its compensation practices depend on employee efforts and contributions.

B. PERFORMANCE EVALUATION

The City of Sheboygan recognizes the importance of recognizing an employee's efforts and follows a merit increase program where an employees pay is affected by their performance.

Each employee will receive a performance review every 12 months. The review will be performed during the last quarter of the calendar-year with any identified increase to be effective January 1, 2018.

The review form has 4 categories of performance: Unacceptable, Below, Successfully Achieved and Exceeds. Exhibit #3 is one example of an acceptable yearly performance evaluation. Electronic evaluations may also be utilized. In addition, the City Administrator may have an evaluation form that is unique to the position, as governed by the Finance and Personnel committee and the direction and approval of City Council.

Goals are also established during the evaluation process, primarily by the supervisor with input from the employee. Wherever possible, goals are SMART (Specific, Measurable, Attainable, Relevant, and Time-bound). Supervisors and/or Department Heads and the employee need to

document the employee's goals for the upcoming evaluation year, and may use one of two goals template listed in Exhibit #4.

C. MERIT ADJUSTMENTS BASED ON PERFORMANCE EVALUATIONS

Merit adjustments are granted to employees to encourage efficiency and to reward performance when the City's economic conditions permit. Merit increases are not automatic; nor does an employee acquire any right to an increase because of length of service or time in a job. Merit adjustments are based upon his/her supervisor's appraisal of the employee's performance in relation to established performance standards and goals. A merit adjustment should reflect a performance level that has been consistently demonstrated over a meaningful period of time, typically 12 months. If merit adjustments are awarded to the employee based on their performance, any pay increase will be issued on January 1, 2018, or in the first payroll of 2018 following council approval of the plan.

1. Establishment of the Merit Increase Budget

The overall funding for the Merit Increase program budget shall be determined by the Common Council on an annual basis, following recommendation by the Director of Human Resources and Labor Relations, and supported by the Finance and Personnel Committee. The size of the budget will be based primarily on the economic conditions currently experienced by the City and any other factors deemed relevant by the Common Council.

2. Merit Increase Amount

Once the budget has been approved, it is up to each supervisor and/or department head to approve the amount granted to the employee. The City establishes the percentage guidelines in the merit adjustment on an annual basis and the amounts, therefore, are subject to change. A reserve amount will be set aside for merit increases, but the actual amount available as a percent increase will be determined the calendar year.

All merit increase adjustments shall be based on documented performance with higher increase percentages being reserved for performance that has overwhelmingly exceeded performance expectations. The actual size of the merit increase shall follow the percentage guidelines in the Merit Adjustment Schedule found in Exhibit #5. All merit adjustment requests made by department heads for individual employees are subject to appropriate documentation which is reviewed by the Human Resources Director.

The City shall review the merit adjustment amount every year. This review will be conducted by the Director of Human Resources and Labor Relations with approval with the Finance and Personnel Committee. All changes to the schedule shall be subject to the approval of the Common Council.

3. Merit Adjustments Applied to Current Salary

The merit adjustment percentage will be applied directly to the employee's current salary. Salary ranges will be reviewed periodically to insure the City's pay ranges remain competitive while the merit adjustment schedule is reviewed annually. Base wage adjustments provides newer employees and those in the lower part of the wage scale the opportunity to reach the midpoint, or fair market value, at a rate which reflects their job performance. (i.e. the better the performance the faster they reach the midpoint). It also allows above average and outstanding performances to exceed the midpoint which would be

expected for employees who constantly perform at those levels, as well as those who either have greater experience levels when starting the position or those who have a greater length of time on the job.

4. Frequency of Merit Reviews

Consideration for merit adjustments shall be once every twelve (12) months during the final quarter of the calendar year, with any identified pay increase effective the first payroll (or thereafter) of the next calendar year.

A. Employees Returning from a Leave of Absence or Rehired

If an employee is off work on a qualified Leave Of Absence at the time the performance evaluation and applicable merit or incentive increase is due, upon return from leave to "active duty", the employee will receive any identified increase effective from the first date returned to active duty. Employees not returning to work, that is, employees who do not return to active duty, are not eligible for retroactive pay.

5. Performance Appraisal Review Procedures

All employees shall be evaluated by their department head a minimum of once per year. The employee's supervisor shall evaluate each employee's performance for the period following the employee's last performance appraisal review and recommend a merit adjustment for the employee that is consistent with the established merit adjustment amount, using either a manual performance appraisal process (Exhibit #1) and appropriate form (Exhibit #3), or utilizing the on-line review process in MUNIS. In addition, the employee will be provided a feedback opportunity by completing an Employee Questionnaire Form (Exhibit #2) or completing the on-line questionnaire.

6. Delayed or Denied Merit Adjustments

Department heads may deny or delay merit adjustments if employees are not performing in a fully capable manner. When merit adjustments are delayed or denied, a plan of action for improvement and a target date shall be set by the supervisor. Special performance appraisals are conducted when improvements have been noted or when the target date has been reached. Under no circumstance shall the period of time be shorter than three (3) months or longer than the employee's next scheduled review date. If the employee is then performing in a fully capable manner, the merit adjustment deemed appropriate by the department head may be granted. No adjustment shall be given on a retroactive basis, however. The decision to grant or deny a delayed merit adjustment must be made within thirty (30) days of the employee's review date. Employees normal review dates are not advanced by this denial/delay.

7. Merit Increases Effective Date

Except in the case of delayed or denied increases, the effective date for application of the merit adjustment increase shall be the first payroll in January of the following year.

8. Performance Appraisal Appeal Process

Following a completed Performance Evaluation, the supervisor will notify the employees of the appropriate merit adjustment. If the employee is not in agreement with the merit adjustment identified, the employee may request a meeting with the Department Head. If the employee continues to be dissatisfied, the employee may request a meeting with the Director of Human Resources and Labor Relations. A final appeal will be allowed in front of the

City Administrator. The employee will need to complete a *Notice of Evaluation Appeal Form* (Exhibit#6) which is then submitted to the Director of Human Resources and Labor Relations who will submit the Notice of Evaluation Appeal Form to the City Administrator. The City Administrator will schedule a meeting with the employee and the employee's department head to hear the employee's appeal, after which the City Administrator will either confirm the recommended merit adjustment or approve a new merit adjustment for the employee based upon additional objective facts. The decision will be confirmed in writing to the employee, and this decision shall be final. This appeal shall not, in any way, affect the employee's position within the department or as an employee of the City of Sheboygan.

9. Retroactivity

Employees terminating employment for any reason prior to Common Council adoption of an adjustment to the compensation, employment are not entitled to any retroactive application of that adjustment.

10. Employee and Management Training

The Human Resources Department shall conduct periodic training on the performance appraisal process to all supervisors, managers, and department heads responsible for conducting appraisals. The Human Resources Department will conduct periodic employee training on the performance management program in general, particularly if changes to the program occur.

XIV. COMPENSATION PROGRAM REPORTING

A. POLICY

The interests of the Common Council are best served by management reports which accumulate all costs and related information needed in their role as policy-makers who are ultimately responsible for the compensation plan. These reports shall be facilitated by the Human Resources Department which will be responsible for compiling, summarizing and presenting the information to the Finance and Personnel Committee and Common Council.

B. PROCESS

The report shall be done on an as-needed basis, often as part of the budget process for the next year, and will contain the following information:

1. A breakout of requested annual adjustment dollars by component:
 - a. Merit Adjustments
 - b. Equity Adjustments
2. Assurance through Human Resources Department review that all employees have been evaluated.
3. A confidential report on the distribution of performance ratings.
4. Any other information deemed pertinent by Council.

XV. PLAN COMMUNICATION AND MANAGEMENT TRAINING:

The City recognizes the importance of ensuring that all employees are fully knowledgeable about the details of the compensation plan. To that end, the Human Resources Department shall be responsible for the following actions:

1. Preparing and distributing plan information for all new employees as part of the orientation process.
2. As plan changes occur pursuant to Council action, preparing information and holding meetings with employees to review all changes, and preparing and distributing individual notification to employees regarding any changes to their compensation. If minor changes are made, or if the change of the Non-Represented Comp Plan consist primarily to identify differences in the merit adjustment guide and/or pay scale, the Human Resources Department will distribute communication via posting a memo with the changes, either in a department or transmitted through intranet communications.

The City also recognizes the need to provide supervisors, managers, and department heads with details of the compensation plan and their important roles in its administration. To this end, the Human Resources Department shall be responsible for providing new, and updating current supervisors, managers, and department heads thorough training in the areas of:

1. City compensation policies and procedures.
2. Sound pay-for-performance practices and City compensation techniques such as the use of pay increase guidelines.
3. Use of the budgeted merit adjustment and methods for forecasting increases.
4. Use of planning worksheets which include individual employee's past performance rating history, past raises, and timing of these raises, to provide the information to allow increases to be based on long-term performance opposed to short-term changes.

Exhibit #1 Performance Evaluation Process



Workforce Planning & Development Program

On-going organizational success depends on the intellectual capital within the organization. This program is a critical strategic tool for attracting and retaining qualified employees to sustain our organization and ensure that employees are achieving their own personal development goals. In an effort to provide feedback for both employees and supervisors, both need to review their performance for both identified goals from the previous year and the employees performance throughout the calendar year. There are 4 general categories to describe the employee's performance.

Exceeds / Outstanding Performance
Successfully Achieved Expectations
Development / Improvement Needed
Unacceptable Performance

How To Proceed in the Evaluation Process

Step 1: Provide Employees with a Performance Evaluation Form and Feedback Questionnaire
Each employee should be provided a blank Performance Review and Feedback Questionnaire and provide the completed forms at the time of the sit-down meeting with their supervisor.

Step 2: Supervisor Completes The Review And Schedules A Meeting Time
Prior to the face-to-face meeting, supervisors need to complete a performance review for employees and either identify goals for the employee, inform the employee of the goals for the department or review the employees own professional goals.

Step 3: Determine Merit Adjustment
Supervisor should review the employees job description and responsibilities, as well as review where the position fits on the 2018 Non-Represented Pay Schedule or Department of Public (DPS) Works Pay Plan.

DPW Labor:

Those at mid-point or above, but less than top pay:
Eligible for up to a 2% total merit increase for accomplishing outstanding performance throughout the year in their daily responsibilities and in the accomplishment of goals; up to a 1.5% total merit increase for successfully achieving, and less or no increase for less than achieving performance.

Employees below mid-point are eligible for a step-increase based on their performance. The employee will have "passed" his/her review by completing his/her responsibilities, meeting or exceeding expectations.

Non-represented, Non-labor Employees:

Employees whose pay is in the first or second quartile of the pay range ("Q1 or Q2") will be eligible for additional compensation between 1-4% following the Non-Represented Employee Development and Reward Program Guide.

Employees whose pay is at market rate or higher will be eligible for a performance increase up to a 2% (not to exceed the top pay for the position.)

*See the Non-Represented Employee Development and Reward Program Guide for additional information.

Step 4: Department Merit Increase Award Amount to Human Resources
By December 31, 2017, all departments need to have completed a performance evaluation for all Non-represented employees and provide a final list of merit increase amounts for employees within the department to the Human Resources Office.

Exhibit #2
Employee Questionnaire Form



Employee Feedback and Succession Questionnaire
(Part of the Performance Evaluation Process)

In an effort to improve communication, please take some time to answer the following:

Name (Please print) Date Department

Current Position Evaluation Period Calendar Year 2017

1. What were your most significant work-related accomplishments this past calendar year?
(Include projects, assignments, new skills or knowledge gained.)
2. What are your goals for the next evaluation period?
3. What are your career aspirations within the City of Sheboygan? Is there another position or department you may be interested in? Feel free to include thoughts or ideas on a position that may or may not exist but you feel should.


In the next 1 to 3 years, my career goal is to: _____

Where do you see yourself in 5 or more years: _____

4. What additional training or development would help you improve and/or enhance your work performance today?
5. What feedback did you receive that made you most proud about the work that you do?
6. What feedback would you like about your performance that you aren't currently receiving?
7. What kinds of flexibility would be helpful to you in balancing your work and home life?
8. If you could change one thing about your job or the city as your employer, what would it be?
9. In an effort to improve communication from the city and within your department, please identify the following:
 - a. What type of communication practices work best for you within your department:
 - b. What type of communication would you like to receive within your department, either about your department or about the city?

Exhibit #3

Sample Performance Evaluation Form / Competency Ratings (Form or electronic evaluation in MUNIS)



City of Sheboygan
Caring for the Area

Yearly Performance Evaluation

Name: _____ Clock: _____

Job Title/Grade: _____ Dept: _____

Change Rate from _____ g _____ Eff. Date _____

	UNACCEPTABLE <small>Not Competent in Position</small>	BELOW <small>Working toward Competency in Position</small>	SUCCESSFULLY ACHIEVED <small>Competent in Position</small>	EXCEEDS OVERWHELMINGLY <small>EXCEEDED EXPECTATIONS</small>	
	<input type="checkbox"/> Many mistakes. Repeated occurrences of careless work and excessive errors resulting in rework.	<input type="checkbox"/> Needs improvement. Higher than normal amount of rework.	<input type="checkbox"/> Successfully Achieved. Good performance. Work seldom requires rework.	<input type="checkbox"/> High ability. Consistently produces top-notch quality in all assignments. Able to handle difficult jobs.	COMMENTS:
Quality of Work <small>Measures the ability of the employee to meet quality standards.</small>	<input type="checkbox"/> Fails to meet standards. Very poor on most job assignments. Fails to meet standards of the position.	<input type="checkbox"/> Below standard. Generally below standard. Requires more time to complete assignments than expected.	<input type="checkbox"/> Achieved standards. Successfully Achieved standards and requirements of the position.	<input type="checkbox"/> Production level. Employee consistently exceeds production standards or goals.	
Quantity of Work <small>Measures the ability of the employee to meet production standards.</small>	<input type="checkbox"/> Unacceptable. Has not learned and/or makes slow attempt to improve.	<input type="checkbox"/> In still learning job. Does not fully understand all job requirements or standard work procedures.	<input type="checkbox"/> Meets job requirements. Follows standard work methods and procedures.	<input type="checkbox"/> Good job knowledge. Knowledge of standard work. Keeps up with new developments.	
Job Knowledge <small>Measures the employee's knowledge of the job and standard work practices.</small>	<input type="checkbox"/> Does not support. Departmental objectives are ignored and/or has minimal concern for safety.	<input type="checkbox"/> Shows some support. Departmental objectives are ignored and safety areas for improvement needed.	<input type="checkbox"/> Supports safety objectives. Successfully follows safety rules and procedure.	<input type="checkbox"/> Leads safety. Keeps work area in excellent condition and follows safety rules. Goes above and beyond.	
Work Area Safety <small>Measures employee's commitment to safety and continuous improvement.</small>	<input type="checkbox"/> Resists change. Slow to adapt to new situations or support cross-functional needs of the organization.	<input type="checkbox"/> Slow to adapt. Some resistance to change. Slow to adapt to cross-functional initiatives.	<input type="checkbox"/> Acceptable. Learns job requirements in a normal amount of time. Supports improvement.	<input type="checkbox"/> Adapts readily. Very adaptable to change. Takes ownership of initiatives.	
Adaptability <small>Measures employee's ability to adapt to changing work environment and support team initiatives.</small>	<input type="checkbox"/> Does not follow. Instructions. Confused friction with others and is hard to work with.	<input type="checkbox"/> Reluctant to follow. Directions or instructions. Periodic friction with others.	<input type="checkbox"/> Follows instructions. Cooperates with supervisor and co-workers.	<input type="checkbox"/> Responds readily. Attentive of difficult assignments. Excellent team work.	
Cooperation <small>Measures employee's ability to respond positively to assigned tasks and to work with others.</small>	<input type="checkbox"/> Constantly critical. Of employer, job assignment, and/or other employees. Has caused dissension among co-workers.	<input type="checkbox"/> Needs improvement. In overall attitude toward the City and/or fellow employees.	<input type="checkbox"/> Positive Attitude. Has positive attitude toward his/her work and the City. Sets a good example for others.	<input type="checkbox"/> Very positive attitude. Promotes good will. Held in high esteem by co-workers and supervisors and members of the organization.	
Attitude/Work and Co-Operation <small>Measures employee's ability to work toward City objectives of higher productivity without dissension among co-workers.</small>	<input type="checkbox"/> Unable or unwilling. To follow job instructions and complete his/her assignment.	<input type="checkbox"/> Needs guidance. To insure job instructions are followed and work assignments completed.	<input type="checkbox"/> Generally dependable. Can be depended upon to do the job correctly and within strictures.	<input type="checkbox"/> Considers jobs. Under any conditions to the best of his/her ability.	
Dependability <small>Measures the employee's ability to follow job instructions and complete his/her assignment.</small>	<input type="checkbox"/> Unacceptable attendance. High absence and tardiness rate. Leaves early. Doesn't respond to emergencies.	<input type="checkbox"/> Often tardy or absent. Employee is working towards improvement.	<input type="checkbox"/> Acceptable attendance. Tardy very seldom. Responds to emergency calls. Willing to stay late when needed.	<input type="checkbox"/> Very good attendance. At work on time. Willing to help out for emergencies calls.	
Attendance/Punctuality <small>Measures employee's overall attendance and punctuality.</small>	<input type="checkbox"/> UNACCEPTABLE. Employee's performance is unacceptable in position. (Not Competent)	<input type="checkbox"/> BELOW MINIMAL. Employee's performance is times fails to meet minimum job requirements. (Working toward Competency)	<input type="checkbox"/> ACHIEVED. Employee's performance meets all position requirements. (Employee is competent in position)	<input type="checkbox"/> EXCEEDS. Employee's performance exceeds position requirements. (Employee is very competent in job)	
OVERALL PERFORMANCE <small>Based on ratings above, indicate the employee's overall performance rating.</small>					

Supervisor's Signature

Date

Department Head's Signature

Date

Human Resource Signature

Date

Sheboygan.com 2/13


Review	Recommendation	Evaluation		
Competency	Rating	Score	Comment	
QUALITY	EXCEEDS	4.00	(High Quality) Consistently produces top-notch quality	
QUANTITY	EXCEEDS	4.00	(Production high) Employee consistently exceeds product	
JOB KNOW	EXCEEDS	4.00	(Good job knowledge) Knowledge of standard work. Keep	
WORK AREA	EXCEEDS	4.00	(Leads safety) Keeps work area in excellent condition a	
ADAPTABLE	EXCEEDS	4.00	(Adjusts readily) Very adaptable to change. Takes own	
COOPERATE	EXCEEDS	4.00	(Does not follow instructions) Continual friction with	
ATTITUDE	EXCEEDS	4.00	(Constantly critica) of employer, job assignment, and	
DEPENDABLE	EXCEEDS	4.00	(Needs guidance) to insure job instructions are followe	
ATTENDANCE	EXCEEDS	4.00	(Acceptable attendance) Tardy very seldom. Responds to	

Exhibit #4

Goals Template

Goals can be listed as part of the Evaluation Form or Listed Separately

Communications Review / Feedback Opportunity		
<i>(This section must be completed and signed by the employee)</i>		
1. Goals for the next year (supr completes / may use Goals Template)		
2. Additional comments.		
Page 2		
I have received an explanation of this evaluation and would like to make the following comments.		
Next Review Date	Employee's Signature	Date

DEPARTMENT ID		2015 YEARLY REVIEW		2015											
DATE		EMPLOYEE		TITLE											
Measurable Goals, Objectives and Results															
Goal	Measure	Step	Step	Step	CLASS										
Goal	Measure	Step	Step	Step	CLASS TRAINING										
Goal	Measure	Step	Step	Step	SOFTWARE										
Goal	Measure	Step	Step	Step	MANAGE DUTY										
Goal	Measure	Step	Step	Step	OTHER RESPONSIBILITIES										
Calendar	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Hour
[Indicate in the months that correspond with the GOAL Timeframe]															

Exhibit #5

Non-Represented Employee Development and Reward Program Guide					
Salary Increase Reward Guide for Proven Engagement, Growth and Personal Development					
STRATEGY DEPLOYMENT AND PERSONAL PERFORMANCE PLAN EVALUATION	Quadrant 1 (Q1) 80% - 92.45% of CP	Quadrant 2 (Q2) 92.45%-99.95% of CP	CONTROL POINT (MARKET VALUE)	Quadrant 3 (Q3) 100.01% - 107.40%	Quadrant 4 (Q4) Maximum Pay (115%)
EXCEEDS/OUTSTANDING Overall performance throughout the year was outstanding. Consistently exceeded in all areas of the job including accomplishing goals and development plans and was exceptional in the use of business skills. Positive contributor, cooperative throughout all areas within and outside the organization.	Up to 4.80%	Up to 3.00%		Yearly Budgeted Amount	Under Max. Yearly budgeted amount. Above Max. No additional increases are available for those at or over the maximum pay for the position.
SUCCESSFULLY ACHIEVED Overall performance results were achieved that met or exceeded expectations for challenging and difficult goals. Consistently exceeded in accomplishing daily job duties and assignments and very effective in utilizing business tools and skills.	Up to 3.00%	Up to 2.00%		Yearly Budgeted Amount	Under Max. Yearly budgeted amount. Above Max. No additional increases are available for those at or over the maximum pay for the position.
DEVELOPING / NOT YET ACHIEVED Overall performance results were consistent and effective in learning the new position or responsibility. Goals met expectations. Accomplished established measures and development plans and effectively demonstrated position skills.	Up to 2.00%	Up to 1.00%		Not Available	Under Max. Yearly budgeted amount. Above Max. No additional increases are available for those at or over the maximum pay for the position.
NEW TO POSITION / NOT COMPETENT / PERFORMANCE IMPROVEMENTS NEEDED Overall performance results were inconsistent and did not meet expectations. May not have accomplished goals and development plans, and/or effectively demonstrated business skills. May be new to position or role and needs development to effectively meet performance requirements.	0%	0%		0%	Under Max. Yearly budgeted amount. Above Max. No additional increases are available for those at or over the maximum pay for the position.
	Employees in Q1 are hired at entry level. On-the-job training is expected. As such, this level typically achieves a great degree of learning and advancement in the job. Pay increases represent a greater acceleration at this level until the employee achieves the competitive market value for the position.	Employees in Q2 have developed considerably in their position, yet additional development is needed to reach market value.	Control Point is the market value of the position at approximately the 75th percentile point for the position.	Employees in Q3 are expected to know how to do their job competently and effectively. Little supervision is needed in the completion of most tasks at this point. More complex assignments and variations of duties are expected at this level, and greater multitasking is anticipated. Employees in this level are often able to teach and mentor others in similar roles or overlapping duties.	Employees in Q4 have been awarded their maximum pay and are considered as being "at the top of their game." Greater expectation of performance is placed on employees in this category as they should be the best at what they do and should be able to "fill the shoes" of others on a daily basis, with the hope of only promotion, and not offer the "good person" for promotion or contract.

NOTES:

This guide is for use in assisting in the allocation of salary merit increases. Categories are used to determine appropriate increases only. Performance evaluations should support strategy deployment / personal performance plans with discretionary merit amounts allocated accordingly.
 Q1: Eligible for Q1 increase plus budgeted wage increase amount (based on merit)
 Q2: Eligible for Q2 increase plus budgeted wage increase amount (based on merit)
 Q3: Eligible for wage increase amount only
 Performance evaluations should support strategy deployment / personal performance plans with discretionary merit amounts allocated accordingly.

Exhibit #6



CONFIDENTIAL

NOTICE OF PERFORMANCE EVALUATION APPEAL

TO: Sandy Rohrick
Director of Human Resources and Labor Relations

FROM: _____
Employee Position

I have reviewed my performance evaluation and my merit adjustment recommendation with my supervisor and/or department head.

The performance rating I was issued was _____.

I wish to appeal the rating for the following reasons:

(If additional space is needed for this explanation, please feel free to attach an additional document.)

I understand that if I request a performance and/or merit adjustment review by the Finance and Personnel Committee, my decision to do so will not, in any way, affect my position within the department or as an employee of the City of Sheboygan.

Signature of Employee Date

cc: Department Head

F:\Nonrepccsplan\2017
Notice Of Evaluation Appeal

Exhibit #7

2018 Non-Represented Pay Schedule

2018 Non-Represented Pay Schedule (excluding DWP Labor Workforce)					
Salary Grade	Q1 (Minimum)	Q2 92.50%	Q3 Control Point	Q4 (107.50%)	Maximum (115%)
A	\$ 12.75 \$ 26,520.00	\$13.88 \$28,800.00	\$ 15.00 \$ 31,200.00	\$ 16.13 \$ 33,550.40	\$ 17.25 \$ 35,880.00
B	\$ 13.94 \$ 28,995.20	\$15.17 \$31,553.60	\$ 16.40 \$ 34,112.00	\$ 17.63 \$ 36,679.40	\$ 18.66 \$ 39,228.80
C	\$ 15.49 \$ 32,219.20	\$16.85 \$35,048.00	\$ 18.22 \$ 37,897.60	\$ 19.59 \$ 40,747.20	\$ 20.65 \$ 43,576.00
D	\$ 16.61 \$ 34,548.80	\$18.07 \$37,585.60	\$ 19.54 \$ 40,643.20	\$ 21.01 \$ 43,700.80	\$ 22.47 \$ 46,737.60
E	\$ 17.83 \$ 37,086.40	\$19.41 \$40,372.80	\$ 20.98 \$ 43,638.40	\$ 22.55 \$ 46,904.00	\$ 24.13 \$ 50,190.40
F	\$ 18.80 \$ 39,104.00	\$20.46 \$42,140.80	\$ 22.12 \$ 45,552.00	\$ 23.78 \$ 49,462.40	\$ 25.44 \$ 52,915.20
G	\$ 19.72 \$ 41,017.60	\$21.46 \$44,036.80	\$ 23.20 \$ 48,256.00	\$ 24.94 \$ 51,875.20	\$ 26.68 \$ 55,494.40
H	\$ 21.08 \$ 43,846.40	\$22.94 \$47,715.20	\$ 24.80 \$ 51,584.00	\$ 26.68 \$ 55,452.80	\$ 28.52 \$ 59,321.60
I	\$ 22.19 \$ 46,155.20	\$24.14 \$50,211.20	\$ 26.10 \$ 54,288.00	\$ 28.06 \$ 58,364.80	\$ 30.02 \$ 62,441.60
J	\$ 23.10 \$ 48,048.00	\$25.14 \$52,291.20	\$ 27.18 \$ 56,534.40	\$ 29.22 \$ 60,777.60	\$ 31.26 \$ 65,020.80
K	\$ 26.59 \$ 55,307.20	\$28.93 \$60,174.40	\$ 31.28 \$ 65,062.40	\$ 33.63 \$ 69,950.40	\$ 35.97 \$ 74,817.60
M	\$ 29.58 \$ 61,526.40	\$32.19 \$66,655.20	\$ 34.80 \$ 72,384.00	\$ 37.41 \$ 77,812.80	\$ 40.02 \$ 83,241.60
N	\$ 30.94 \$ 64,355.20	\$33.67 \$70,033.60	\$ 36.40 \$ 75,712.00	\$ 39.13 \$ 81,390.40	\$ 41.86 \$ 87,068.80
S	\$ 33.35 \$ 69,368.00	\$36.30 \$75,504.00	\$ 39.24 \$ 81,619.20	\$ 42.18 \$ 87,734.40	\$ 45.13 \$ 93,870.40
T	\$ 37.23 \$ 77,438.40	\$40.52 \$84,281.60	\$ 43.80 \$ 91,104.00	\$ 47.09 \$ 97,947.20	\$ 50.37 \$ 104,769.60
U	\$ 39.30 \$ 81,744.00	\$42.77 \$88,961.60	\$ 46.24 \$ 96,179.20	\$ 49.71 \$ 103,396.80	\$ 53.18 \$ 110,614.40
V	\$ 46.12 \$ 94,057.60	\$60.19 \$102,358.80	\$ 54.26 \$ 110,658.00	\$ 58.33 \$ 118,955.20	\$ 62.40 \$ 127,254.40
Y	\$ 48.69 \$ 101,275.20	\$62.98 \$110,198.40	\$ 57.28 \$ 119,142.40	\$ 61.58 \$ 128,086.40	\$ 65.87 \$ 137,009.60
Z	\$ 54.57 \$ 113,505.60	\$69.39 \$123,531.20	\$ 64.20 \$ 130,624.00	\$ 69.02 \$ 143,561.60	\$ 73.83 \$ 153,566.40

* Pay will be rounded down to the next even number.

Exhibit #8

Department of Public Works Pay Plan

DEPARTMENT OF PUBLIC WORKS PAY PLAN												
2017 & 2018 Non-Represented Temporary / Part-time / Seasonal Pay Schedule												
Grade	Min	Max	Seasonal Staff: Hire as-needed following budget (Pay: DOQ & Department Need)									
Extra Help	\$8.00	\$13.00	Part-Time / Temporary & Seasonal / Bridge Tenders / Misc.									
Seasonal Labor	\$9.00	\$13.00	General buildings & grounds custodial labor (event park cleaners)									
Seasonal Skilled	\$10.00	\$20.00	Fully-trained, skilled labor, seasonal, non-benefited									
2018 DPW Labor Workforce												
Merit Increase Program for "Permanent / Full-time Employees"												
Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7		2017	2018		
									MAX	MAX		
MW I	\$17.69	\$18.44	\$19.19	\$19.94	\$20.69	Merit			\$21.35	\$21.78		
MW II	\$19.77	\$20.52	\$21.27	\$22.02	\$22.77	Merit			\$23.87	\$24.35		
MW III	\$21.85	\$22.60	\$23.35	\$24.10	\$24.85	\$25.60	Merit			\$26.38	\$26.91	
MW IV	\$23.93	\$24.68	\$25.43	\$26.18	\$26.93	\$27.68	Merit			\$28.90	\$29.48	
MW V	\$26.01	\$26.76	\$27.51	\$28.26	\$29.01	\$29.76	\$30.51	Merit			\$31.42	\$32.05
Grade 1: Maintenance Worker I *Control Point = Step 5												
Grade 2: Maintenance Worker II *Control Point = Step 5												
Grade 3: Maintenance Worker III *Control Point = Step 6												
Grade 4: Maintenance Worker IV *Control Point = Step 6												
Grade 5: Maintenance Worker V *Control Point = Step 7												
01/01/2018: 1) Newly hired employees and those in steps below the Control Point will be eligible for a yearly step-increase based on a merit review resulting in a "Pass" rating. Exemplary performance may result in a double-step increase. Merit reviews resulting in a "Marginal or Fail" will not receive an increase and may result in a PIP (Performance Improvement Plan).												
2) In 2018, those in the step-progression will move to the next immediate step or two steps, depending on merit.												
3) Pay increases for employees at or above the Control Point in their pay scale, but below the maximum, will be eligible for the budgeted merit increase amount applied to base wages (based on merit).												
4) Future modifications to the wage scale will be reviewed yearly based on CPI and market trend.												
5) No additional compensation, lump sum or otherwise, will be awarded once an employee reaches the maximum.												
6) Promoted employees will move to the step increase that represents a minimum of \$0.75 per hour increase.												
7) Demoted employees, voluntary or involuntary, will move to the step they previously held in a previous position, may be placed in the step appropriate for the skill the employee possesses, or Step 1 if unskilled.												

DWP 2017_2018 Workforce Wage Scale

Exhibit #9
 2018 City of Sheboygan Permanent Non-Represented Positions
 (Non-DPW Labor)
 Page 1 of 2

2018 City of Sheboygan Permanent Non-Represented Positions			
Grade	Market Rate / Job Titles	Hourly Pay	Yearly Pay
D	Market Rate: \$8.76/\$20,308	Min: \$8.00 - Max: \$11.52	Min: \$16,840 - Max: \$23,961
	Library Cleaner Library Page		
A	Market Rate: \$15.00/\$31,200	Min: \$12.75 - Max: \$17.25	Min: \$26,520 - Max: \$35,880
	Clerk I/Administrative Assistant Maintenance Grounds Worker / Transit TV Production Technician		
B	Market Rate: \$16.40/\$34,112	Min: \$13.84 - Max: \$18.86	Min: \$28,995 - Max: \$39,228
	Clerk II/Administrative Assistant Cashier/Data Entry Clerk II/Finance Permit Clerk I/Inspection Assistant Municipal Court Clerk Dispatcher/Transit MC Scheduler/Dispatch		
C	Market Rate: \$18.72/\$37,897	Min: \$15.49 - Max: \$20.95	Min: \$32,219 - Max: \$43,576
	Clerk III/Administrative Assistant/WWTP Transit Lead Support II Coordinator Transit Lead Support I Senior Center Assistant Supervisor MEG Unit Secretary Clerk III/Administrative Assistant/Fire Community Service Officer Transit Dispatcher Fill-in Library Maintenance Technician Library Assistant		
D	Market Rate: \$19.54/\$40,643	Min: \$16.61 - Max: \$22.47	Min: \$34,548 - Max: \$46,737
	Records Specialist Clerk IV/Administrative Assistant Parking Lead, Transit Library Technical Services Assistant		
E	Market Rate: \$20.98/\$43,038	Min: \$17.83 - Max: \$24.13	Min: \$37,086 - Max: \$50,190
	Department Secretary/Police Department Elections Specialist/City Clerk Council Licensing Clerk/City Clerk Court Services Secretary/Police Department TIME Agency Coordinator/Police Department Library Administrative Assistant		
F	Market Rate: \$22.12/\$46,052	Min: \$18.80 - Max: \$25.44	Min: \$39,104 - Max: \$52,915
	Purchasing/Accounts Payable Assistant Administrative Assistant to the Mayor Administrative Coordinator (Transit, Fire) Human Resources Assistant		
G	Market Rate: \$23.20/\$48,256	Min: \$19.72 - Max: \$26.68	Min: \$41,017 - Max: \$55,494
	Legal Assistant Deputy City Clerk		
H	Market Rate: \$24.80/\$51,584	Min: \$21.08 - Max: \$28.52	Min: \$43,846 - Max: \$59,321
	Digital Evidence Manager/Police Department Property Officer/Police Department Library Maintenance Supervisor*		

* Exempt

Exhibit #9
 2018 City of Sheboygan Permanent Non-Represented Positions
 (Non-DPW Labor)
 Page 2 of 3

I	Market Rate: \$26.10/\$54,288	Min: \$22.19 - Max: \$30.02	Min: \$46,155 - Max: \$62,441
	Crime Analyst/Police Department Building Inspection Specialist Municipal Court Clerk Analyst (Budget, Crime, and Management)* Senior Activities Center Supervisor* Community Development Planner* TV Production Director* Operations/PC Technician Library Communications Specialist*		
J	Market Rate: \$27.18/\$56,594	Min: \$23.10 - Max: \$31.26	Min: \$48,048 - Max: \$65,020
	Accountant* GIS Project Specialist* Transit Operations Supervisor* Neighborhood Development Planner* Librarian* Library Page Supervisor*		
K	Market Rate: \$31.28/\$65,062	Min: \$26.59 - Max: \$35.97	Min: \$53,307 - Max: \$74,817
	Payroll Administrator* Auditor/Analyst* Streets Supervisor/DPW* Benefits Analyst/Administrator* Equipment Services Supervisor/DPW* Industrial WW Supervisor/WWTP* Maintenance Supervisor/WWTP* Office Supervisor/Police Department* Engineering Technician Process Systems / DPCO Electrical / Housing Inspector Library Information Technology Specialist*		
M	Market Rate: \$34.80/\$72,384	Min: \$29.58 - Max: \$40.02	Min: \$61,525 - Max: \$83,241
	Building/Housing Inspector I Building/Housing Inspector II Plumbing/Environmental Inspector Electrical/Heating Inspector		
N	Market Rate: \$36.40/\$75,112	Min: \$30.93 - Max: \$42.86	Min: \$64,353 - Max: \$87,058
	Assistant City Attorney* Systems Analyst* Network Administrator* Assistant Engineer / Surveyor* Senior Engineering Technician		
S	Market Rate: \$39.24/\$81,819	Min: \$33.35 - Max: \$45.13	Min: \$69,368 - Max: \$93,870
	Environmental Engineer* Communications/Electronics Technician Planning and Zoning Manager* Library Technical Support Manager* Library Public Support Manager* Library Business Manager*		
T	Market Rate: \$43.80/\$91,104	Min: \$37.23 - Max: \$50.37	Min: \$77,438 - Max: \$104,769
	Superintendent, Parks and Forestry* Superintendent, WWTP* Superintendent, Streets* Superintendent, Facilities and Traffic* Civil Engineer / Project Manager*		
D	Market Rate: \$46.24/\$96,179	Min: \$39.30 - Max: \$53.18	Min: \$81,744 - Max: \$110,814
	Transit Director* Battalion Chief* Deputy Fire Chief* City Engineer*		
V	Market Rate: \$54.26/\$112,656	Min: \$46.12 - Max: \$62.40	Min: \$94,057 - Max: \$127,254
	Finance Director* Assistant Fire Chief* Director of Human Resources and Labor Rel* IT Director* Director of Planning and Inspection* Library Director*		
Y	Market Rate: \$57.28/\$119,142	Min: \$48.69 - Max: \$65.87	Min: \$101,275 - Max: \$137,009
	Police Chief* Fire Chief* Director of Public Works*		
Z	Market Rate: \$64.20/\$133,624	Min: \$54.37 - \$73.83	Min: \$113,305 - Max: \$153,366
	City Administrator*		

REVISIONS LOG

REVISION YEAR	DATE INTRODUCED TO SAL & GRIEV	MODIFICATION TO PRIOR NON-REP COMP PLAN	GENERAL ORDINANCE / RESOLUTION / OR OTHER REF DOCUMENT
2014	01-22-2014	<ol style="list-style-type: none"> 1) Modified the merit and incentive adjustment amounts to accommodate the 2014 budgeted increase amount to payroll of 2.5% overall 2) Updated Exec Summary, listed all department head titles (adding changes from 2013 re: appointed and at-will department heads), loosened the evaluation form statement, allowing for a switch to electronic/MUNIS based evaluation process if needed 3) Updated XIII, C, 4 to state that inactive employees out on leave will received increase upon return to active status 4) Miscellaneous date and/or title changes, replacing 2013 with 2014 5) Removed 6-month "evaluation" period as it is obsolete 6) 2014 Wage Scale ranges were NOT modified from 2013, just the date of the salary range was revised. 	<p>Resolution 132-13-14 R.C. 310-13-14</p>
2015		<ol style="list-style-type: none"> 1) Modify the merit amount to accommodate the 2015 budget increase to payroll of 2.0% overall. 2) Increase the mid-point of all salary grades by 2%. 3) Referenced the option to use the MUNIS electronic evaluation process. 	
2016		<ol style="list-style-type: none"> 1) Add one level higher Maintenance Worker (5) to the DFW Labor Workforce. 2) Change Chief Admin Officer title to City Administrator and add reference to a separate evaluation form for the position. 3) Modify percent increases for merit to ranges as a guideline to appropriately identify the discretionary element of the merit increase rather than a possible perceived increase amount. 	
2017		<ol style="list-style-type: none"> 1) Starting in 2017, a reserve account will be made available to determine an appropriate salary increase amount and will be based on a combination of market data and Consumer Price Index. 2) Consistent with Chapter 82 of the Municipal Code, it is possible to hire an employee in a position less than minimum pay if the employee does not possess the minimum qualifications but is either enrolled in a certificate program or has demonstrated the propensity to achieve the appropriate training to achieve the minimum qualifications. 3) 2017 Pay Scale Adjustments: 2017 <ol style="list-style-type: none"> a) Pay Grade 0 added. b) 2% increase to mid-point for grades 1-16. Range remains +/- 20%. c) DFW Pay Grades increased by 2% 4) 2017/2018 Pay Scale introduced for DFW Labor Workforce, seasonal and full-time, including a modified step- 	

		<p>increase program.</p> <p>5) Merit Adjustment Guide modified to provide up to 1.5% for merit on regular work assignments and up to .50% for achievement of goals and other duties. Employees at the top of their pay scale are no longer able to receive an increase in pay, either in the form of an increase to base pay or a lump sum.</p>	
2018		<p>1) Market-Based Compensation Plan introduced to accelerate wages for those under mid-point.</p> <p>2) Finance and Personnel Committee replaced Salaries and Grievances Committee during calendar year 2017.</p> <p>3) City Administrator to approve new hires at or above market-point for their position.</p> <p>4) Introduction of new pay scale with 19 grades vs. 16 grade. Scale updated with current comparable information.</p> <p>5) Exhibit #9 / Market-driven classifications of positions.</p>	

2018 City of Sheboygan Permanent Non-Represented Positions

Grade	Market Rate / Job Titles	Hourly Pay	Yearly Pay
0	Market Rate: \$9.76/\$20,300	Min: \$8.00 - Max: \$11.52	Min: \$16,640 - Max: \$23,961
	Library Cleaner Library Page		
A	Market Rate: \$15.00/\$31,200	Min: \$12.75 - Max: \$17.25	Min: \$26,520 - Max: \$35,880
	Clerk I/Administrative Assistant Maintenance Grounds Worker / Transit TV Production Technician		
B	Market Rate: \$16.40/\$34,112	Min: \$13.84 - Max: \$18.86	Min: \$28,995 - Max: \$39,228
	Clerk II/Administrative Assistant Cashier/Data Entry Clerk II/Finance Permit Clerk II/Inspection Assistant Municipal Court Clerk Dispatcher/Transit MC Scheduler/Dispatch		
C	Market Rate: \$18.22/\$37,897	Min: \$15.49 - Max: \$20.95	Min: \$32,219 - Max: \$43,576
	Clerk III/Administrative Assistant/WWTP Transit Lead Support II Coordinator Transit Lead Support I Senior Center Assistant Supervisor MEG Unit Secretary Clerk III/Administrative Assistant/Fire Community Service Officer Transit Dispatcher Fill-in Library Maintenance Technician Library Assistant		
D	Market Rate: \$19.54/\$40,643	Min: \$16.61 - Max: \$22.47	Min: \$34,548 - Max: \$46,737
	Records Specialist Clerk IV/Administrative Assistant Parking Lead, Transit Library Technical Services Assistant		
E	Market Rate: \$20.98/\$43,638	Min: \$17.83 - Max: \$24.13	Min: \$37,086 - Max: \$50,190
	Department Secretary/Police Department Elections Specialist/City Clerk Council Licensing Clerk/City Clerk Court Services Secretary/Police Department TIME Agency Coordinator/Police Department Library Administrative Assistant		
F	Market Rate: \$22.12/\$45,552	Min: \$18.80 - Max: \$25.44	Min: \$39,104 - Max: \$52,915
	Purchasing/Accounts Payable Assistant Administrative Assistant to the Mayor Administrative Coordinator (Transit, Fire) Human Resources Assistant		
G	Market Rate: \$23.20/\$48,256	Min: \$19.72 - Max: \$26.68	Min: \$41,017 - Max: \$55,494
	Legal Assistant Deputy City Clerk		
H	Market Rate: \$24.80/\$51,584	Min: \$21.08 - Max: \$28.52	Min: \$43,846 - Max: 59,321
	Digital Evidence Manager/Police Department Property Officer/Police Department Library Maintenance Supervisor*		

* Exempt

I	Market Rate: \$26.10/\$54,288	Min: \$22.19 - Max: \$30.02	Min: \$46,155 - Max: \$62,441
	Crime Analyst/Police Department Building Inspection Specialist Municipal Court Clerk Analyst (Budget, Crime, and Management)* Senior Activities Center Supervisor * Community Development Planner* TV Production Director * Operations/PC Technician Library Communications Specialist*		
J	Market Rate: \$27.18/\$56,534	Min: \$23.10 - Max: \$31.26	Min: \$48,048 - Max: \$65,020
	Accountant* GIS Project Specialist* Transit Operations Supervisor* Neighborhood Development Planner * Librarian* Library Page Supervisor*		
K	Market Rate: \$31.28/\$65,062	Min: \$26.59 - Max: \$35.97	Min: \$55,307 - Max: \$74,817
	Payroll Administrator * Auditor/Analyst * Streets Supervisor/ DPW* Benefits Analyst/Administrator * Equipment Services Supervisor/ DPW* Industrial WW Supervisor/WWTP* Maintenance Supervisor/WWTP* Office Supervisor/Police Department * Engineering Technician Process Systems / OPCO Electrical / Housing Inspector Library Information Technology Specialist*		
M	Market Rate: \$34.80/\$72,384	Min: \$29.58 - Max: \$40.02	Min: \$61,526 - Max: \$83,241
	Building/Housing Inspector I Building/Housing Inspector II Plumbing/Environmental Inspector Electrical/ Heating Inspector		
N	Market Rate: \$36.40/\$75,712	Min: \$30.93 - Max: \$41.86	Min: \$64,355 - Max: \$87,068
	Assistant City Attorney * Systems Analyst * Network Administrator * Assistant Engineer / Surveyor * Senior Engineering Technician		
S	Market Rate: \$39.24/\$81,619	Min: \$33.35 - Max: \$45.13	Min: \$69,368 - Max: \$93,870
	Environmental Engineer * Communications/Electronics Technician Planning and Zoning Manager* Library Technical Support Manager* Library Public Support Manager* Library Business Manager*		
T	Market Rate: \$43.80/\$91,104	Min: \$37.23 - Max: \$50.37	Min: \$77,438 - Max: \$104,769
	Superintendent, Parks and Forestry * Superintendent, WWTP* Superintendent, Streets* Superintendent, Facilities and Traffic * Civil Engineer / Project Manager *		

U	Market Rate: \$46.24/\$96,179	Min: \$39.30 - Max: \$53.18	Min: \$81,744 - Max: \$110,614
	Transit Director * Battalion Chief * Deputy Fire Chief * City Engineer *		
V	Market Rate: \$54.26/\$110,656	Min: \$46.12 - Max: \$62.40	Min: \$94,057 - Max: \$127,254
	Finance Director * Assistant Fire Chief* Director of Human Resources and Labor Rel* IT Director * Director of Planning and Inspection * Library Director*		
Y	Market Rate: \$57.28/\$119,142	Min: \$48.69 - Max: \$65.87	Min: \$101,275 - Max: \$137,009
	Police Chief* Fire Chief * Director of Public Works *		
Z	Market Rate: \$64.20/\$130,624	Min: \$54.57 - \$73.83	Min: \$113,505 - Max: \$153,566
	City Administrator *		