



Department of Employee Relations


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TO: Chris Lee, Staff Assistant  
Finance and Personnel Committee  
Office of the City Clerk

FROM: Maria Montezagudo   
Employee Relations Director

DATE: June 15, 2015 (*Revised*)

RE: CC File #150295 - Administrative Changes to the 2015 Salary Ordinance and Positions

Please make the following changes to the 2015 Salary Ordinance:

1. These changes are revisions to language that reflect how salary adjustments after promotions and demotions will be handled for employees who were eligible for a pension offset as authorized under Common Council File #140856. Changes are recommended for Part II–Section 5, Salary Adjustments and Part II–Section 6, Demotions. Explanations of changes are indicated in italics within the proposed language. Delete the current language in its entirety and replace with the proposed language.

**Current Language-Part II–Section 5–Salary Adjustments:**

- A. **Promotions, Reclassifications, and Reallocations:** Appointment of a person in the service of the City to a reclassified position (title change and pay range change) or promotion to a position with a higher pay range maximum, (including promotion after underfill) shall be at 5% above the rate received prior to the promotion, or the minimum of the new pay range, or the footnoted minimum recruitment rate whichever is greatest. Appointment to a position in a pay range with a lower maximum rate but with a higher minimum rate shall be considered a promotion for pay administration purposes as determined by Employee Relations.

A promotion into a classification designated as Leadership (limited to Department Heads and Deputies, Public Officials appointed pursuant to section 62.51 of the Wisconsin State Statutes, and Department of Public Works Division Directors) shall be at 7% above the rate currently received or the minimum of the new salary range, whichever is greater. At no time shall the rate after appointment or promotion exceed the maximum of the range.

The Department of Employee Relations shall certify and authorize the salary rates after promotions. In calculating the promotion rate, all base wages and applicable supplemental pay practices as determined by the Department of Employee Relations shall be considered.



- H. Effective Pay Period 4, 2015 (February 1, 2015) general city employees enrolled as members of the employees' retirement system prior to January 1, 2014, and who are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system as a result of Common Council File #110740, shall be eligible for a biweekly base salary adjustment of 3.9% except as provided under I.
- I. Effective Pay Period 4, 2015 (February 1, 2015) general city employees enrolled as members of the employees' retirement system on or after January 1, 2000, and who as a result of Common Council File #110740 are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system in lieu of the 1.6% contribution during the first eight years of ERS enrollment, shall be eligible for a base salary adjustment of 1.45%. Effective the Pay Period following the date the 1.6% contributions would have ended, employees covered by this provision shall receive a salary adjustment equivalent to 2.45% of the hourly base rate (hourly employees) or the biweekly base salary (salaried employees) that was in effect immediately prior to application by the City of the 1.45% adjustment referred to in this subsection (I)."

**Proposed Language-Part II-Section 5-Salary Adjustments:**

- A. **Promotions, Reclassifications, and Reallocations:** Appointment of a person in the service of the City to a reclassified position (title change and pay range change) or promotion to a position with a higher pay range maximum, (including promotion after underfill) shall be at 5% above the rate received prior to the promotion, or the minimum of the new pay range, or the footnoted minimum recruitment rate whichever is greatest. Appointment to a position in a pay range with a lower maximum rate but with a higher minimum rate may be considered a promotion for pay administration purposes as determined by Employee Relations.

*Change the word shall to may in the last sentence of paragraph above. This change will authorize the Department of Employee Relations (DER) to determine the circumstances when such appointments are to be treated as promotions.*

A promotion into a classification designated as Leadership (limited to Department Heads and Deputies, Public Officials appointed pursuant to section 62.51 of the Wisconsin State Statutes, and Department of Public Works Division Directors) shall be at 7% above the rate currently received or the minimum of the new salary range, whichever is greater.

*Move the sentence: "At no time shall the rate after appointment or promotion exceed the maximum of the range" to the paragraph below. Delete the reference to appointment as this paragraph only applies to promotions. Add language related to Pension Offset Guidelines that allows eligible employees to exceed the maximum of the pay ranges under certain circumstances, including allowing employees to retain their current salary, with the pension offset, when their salary is higher than the maximum of the pay range they are being promoted into. Note: the Pension Offset Guidelines are developed by DER as authorized under subsection (B) of Part II, Section 2 of the Salary Ordinance.*

The Department of Employee Relations shall certify and authorize the salary rates after promotions. In calculating the promotion rate, all base wages and applicable supplemental pay practices as determined by the Department of Employee Relations shall be considered. At no time shall the rate after promotion exceed the maximum of the range unless otherwise authorized by the Pension Offset Guidelines developed by the Department of Employee Relations to implement Common Council File #140856.

- H. Effective Pay Period 4, 2015 (February 1, 2015) general city employees enrolled as members of the employees' retirement system prior to January 1, 2014, and who are initially required to contribute 5.5% to their earnable compensation to the employees' retirement system as a result of Common Council File #110740, shall be eligible for a salary adjustment equivalent to 3.9% of the base rate that was in effect at the end of Pay Period 3, 2015, except as provided under subsection (I).

*Change last sentence in paragraph above to include language clarifying that the 3.9% base rate adjustment is calculated on the base rate that was in effect at the end of Pay Period 3, 2015.*

- I. Effective Pay Period 4, 2015 (February 1, 2015) general city employees enrolled as members of the employees' retirement system on or after January 1, 2000, and who as a result of Common Council File #110740 are initially required to contribute 5.5% of their earnable compensation to the employees' retirement system in lieu of the 1.6% contribution during the first eight years of ERS enrollment, shall be eligible for a base salary adjustment that is equivalent to 1.45% of the base rate that was in effect at the end of Pay Period 3, 2015. Effective the Pay Period following the date the 1.6% contributions would have ended, employees covered by this provision may be eligible for a salary adjustment equivalent to 2.45% of the base salary that was in effect at the end of Pay Period 3, 2015 unless otherwise provided by Pension Offset Guidelines as developed by the Department of Employee Relations.

*Change shall to may in the last sentence of the paragraph above since employees whose salaries, through movement in a career ladder or promotion, are at a rate that is higher than what the 2.45% pension adjustment rate would have permitted are therefore not eligible to receive the 2.45% pension adjustment. Also include language clarifying that the 2.45% base rate adjustment is calculated on the base rate that was in effect at the end of Pay Period 3, 2015.*

*The change also adds a reference to the Pension Offset Guidelines developed by DER. The Guidelines contain provisions that ensure that salary adjustments received by employees covered under subsection "I" (hired on or before 12/31/99) are not greater than those received by employees covered under subsection "H" (generally hired after 12/31/99 through 12/31/09).*

#### **Current Language-Part II-Section 6-Demotions:**

- B. **Voluntary Demotions (Career Change):** The salary will be the current rate of pay if it falls within the range of the position demoted to or the maximum of the new pay range, whichever is less. In no event shall the employee be paid in excess of the rate he/she was receiving prior to the voluntary demotion. When the demotion is to a position previously held, the employee shall revert back to the rate of pay in effect prior to the promotion.
- C. **Disciplinary Demotions:** A decrease in pay of 5% or a decrease in pay of 7% if the demotion is from a position designated as Leadership, or the maximum of the new pay range whichever is lower. Under no circumstances should the rate after the demotion exceed the maximum of the range. When the demotion is to a position held within the prior 12 months, the employee shall revert to the rate of pay that represents the rate of pay in effect prior to the promotion.

- D. **Eligibility for Special Attainment Steps after a Demotion:** An employee who elects to take a position in a pay range which has special attainment rates, who meets the qualifications prescribed shall be paid the appropriate special attainment rates, regardless of the rate of pay prior to demotion, subject to not exceeding the maximum of the demoted pay range.

**Proposed Language-Part II-Section 6-Demotions:**

- B. **Voluntary Demotions (Career Change):** The salary will be the current rate of pay if it falls within the range of the position demoted to or the maximum of the new pay range, whichever is lower. In no event shall the employee be paid in excess of the rate he/she was receiving prior to the voluntary demotion. When the demotion is to a position previously held, the employee shall revert to the rate of pay that represents the rate of pay in effect prior to the promotion.

*In the last sentence in the paragraph above add that represents the rate of pay to indicate employee is eligible to receive an adjusted salary if there have been across the board increases since the employee last held the position.*

- C. **Disciplinary Demotions:** A decrease in pay of 5%, or a decrease in pay of 7% if the demotion is from a position designated as Leadership, or the maximum of the new pay range, whichever is lower. Under no circumstances should the rate after the demotion exceed the maximum of the range. When the demotion is to a position previously held the employee shall revert to the rate of pay that represents the rate of pay in effect prior to the promotion.

*Remove within the prior 12 months in the last sentence to be parallel to wording for voluntary demotions. This will have the effect of returning an employee to the same relative position in the pay range that existed prior to the promotion. The employee is eligible to receive the adjusted salary if there have been across the board increases since the employee last held the position.*

*Eliminate paragraph D. Eligibility for Special Attainment Steps after a Demotion. Special attainment steps have been frozen since 2010 for all general city employees. As career ladders are being developed that recognize specific knowledge, education, and experience in combination with measures of employee performance, the special attainment steps have become obsolete.*

2. These changes are corrections to the salary ordinance:

- Under Pay Range 1CX, title should read "WATER BILLING SUPERVISOR."
- Under Pay Range 2HX, add the title "Staff Assistant to the Mayor-Senior" which was unintentionally deleted in a previous report.
- Under Pay Range 7QN, delete footnote "2" and replace as follows: "(2) When assigned to supervisory or lead worker duties, determining and writing specifications for irrigation materials consistent with industry standards or assisting in design of irrigation systems, positions shall be paid at \$2,799.20.