

**The following changes are needed to implement the recommendations included under Common Council File # 151209.**

**In the 2016 Salary Ordinance, Part II Administration, SECTION 2 – RATES OF PAY, delete Sections A and B and substitute the following:**

- A. **Official Rates:** Hourly, biweekly and annual rates of pay are listed in all sections of this ordinance. The official rate of pay is noted within each respective pay range. Payrolls for positions with an official hourly rate shall be based upon the number of hours employees are actually employed.
- B. **Intent:** This ordinance is intended to establish the policies and procedures for administering all pay and pay administration practices for positions in the City of Milwaukee. It is intended that all officers and employees shall fully cooperate with the Department of Employee Relations in the administration of the Salary Ordinance. The Department of Employee Relations is authorized to develop procedures and guidelines necessary to carry out the intent of this ordinance. The provisions of this ordinance are not intended and shall not be construed to be in conflict with the state statutes regarding collective bargaining or any provisions of collective bargaining agreements in full force and effect.

**In SECTION 3 – SALARY AT TIME OF APPOINTMENT, delete the introductory paragraph and substitute the following:**

Appointment to City positions shall be at the minimum rate in the range except as otherwise authorized. Department heads are directed insofar as possible to make appointments effective at the beginning of a biweekly pay period. The Department of Employee Relations will determine the rates of pay for new appointees who are not residents of the City of Milwaukee and for employees who become non-residents consistent with Common Council Files #121688 and #140385.

**Delete SECTION 4 – SALARY ADVANCEMENT AND SALARY ANNIVERSARY DATES and substitute the following:**

Salary advancement above the rate of initial appointment shall be as authorized in this Ordinance. Salary advancement in this section refers to pay progression practices within a pay range. Some City Departments are authorized to implement salary adjustments for employees in specific employee groups based on employees meeting core competencies, certification credentials and/or performance standards per approved Career Ladders effective Pay Period 2, 2012 or later.

Except for practices stemming from labor bargaining agreements in full force and effect or provisions approved in conjunction with the implementation of Career Ladders approved by Common Council action, salary advancement practices in 2016 will fall under one of the following categories:

Group A

Eligible employees in positions listed in one of the following Sections of the Salary Ordinance and who achieve a “good standing” status, per guidelines developed by DER and that is documented on an “Employee Assessment ” form.

Section 3 – Technicians

Section 5 – Paraprofessionals

Section 6 – Administrative Support

Section 7 – Skilled Craft

Section 8 – Service and Maintenance

Group B

Eligible employees in positions that are listed in one of the following Sections of the Salary Ordinance and who, based on merit principles, achieve a “fully satisfactory” or “outstanding” rating, per guidelines developed and administered by DER.

Section 1- Officials and Administrators

Section 2 - Professionals

Section 4- Protective Service (non- represented sworn)

A. **Amount of Salary Adjustments:** In 2016 salary adjustments for eligible employees will be as follows:

Group A

Eligible employees shall receive a salary adjustment that is 2% of the minimum of the pay range, or the minimum recruitment rate as footnoted in the corresponding pay range.

Group B

Eligible employees shall receive a salary adjustment based on their rating as specified below under a performance merit plan established by DER.

- i. 2% of the midpoint of the pay range the position is assigned to for employees who receive a “fully satisfactory” rating, or
- ii. 4% of the midpoint of the pay range the position is assigned to for employees who receive an “outstanding” rating.
- iii. 3% of the midpoint of pay range the position is assigned to for Legislative Assistants in the Common Council – Office of the City Clerk provided they are otherwise eligible.

Increases granted under this section shall be base building up to the maximum of the pay range. Any salary adjustment granted to employees near or at the top of the pay range will be capped by the pay range maximum. Any excess adjustment due to the employee will be awarded via a non-pensionable lump sum payment consistent with guidelines developed and administered by DER.

Employees who are above the maximum of their pay range as a result of the pension offset authorized by Common Council File #110740 shall be eligible to receive such non-pensionable, lump sum payments provided that they meet all other requirements and conditions.

B. **Timing of Salary adjustments:** A determination regarding an employee’s eligibility for a salary adjustment for Group A will be made near or on the employee’s anniversary date and the salary adjustment resulting from that “assessment” will be effective Pay Period 1 of 2016. Subsequent salary adjustments, if authorized and funded, shall follow the completion of 26 biweekly pay periods, unless a new anniversary date is established.

Salary adjustments for eligible employees in Group B will be effective as follows. Employees with salary anniversary dates between Pay Periods 1 through 13 will be evaluated in Pay Period 14. The salary adjustments, if granted, will be effective Pay Period 14. Employees with salary anniversary dates between Pay Period 14 and 26, will be evaluated on or near their anniversary date but the salary adjustment, if granted, will be effective Pay Period 14 of 2016. It is the intent of this provision to make salary adjustments for this group effective no earlier than Pay Period 14 of 2016. Lump sum payments due to eligible employees will be paid in accordance with guidelines developed and administered by DER.

An employee’s original salary anniversary date is based on 26 pay periods of active service after appointment to a position. A new anniversary date is established upon promotion or demotion. The salary anniversary date shall be adjusted after 10 or more work days off the payroll. A denial of a salary

adjustment per provisions of SECTION 4 may establish a new anniversary date as specified under guidelines developed and administered by DER.

- C. **Eligibility Considerations:** an employee’s eligibility for salary advancement after the initial appointment or promotion is contingent upon the completion of 26 biweekly pay periods of active service.

To be eligible for salary adjustments, non-probationary employees in Group A must be in good standing as documented in an “Employee Assessment “ form to be completed by their supervisor. Employees who are subject of a performance improvement plan (PIP) or have received discipline during the 6 month period immediately preceding their anniversary date shall be ineligible for a salary adjustment.

Non-probationary employees in Group B must receive a “fully satisfactory” or “outstanding” rating as part of a performance merit plan established by DER. Employees who are subject of a performance improvement plan (PIP) or have received discipline during the 6 month period immediately preceding their “performance appraisal “ in pay period 14 of 2016 (for employees with anniversary dates during pay periods 1-13) or within six months of their anniversary date for employees with anniversary dates during pay periods 14 – 26) shall be ineligible for a salary adjustment.

During the first year of implementation, employees who are ineligible for salary adjustments due to a PIP or disciplinary action, may have their eligibility re-established at the end of the six month period following the removal of the PIP or the date of disciplinary action. The Department of Employee Relations shall develop guidelines and procedures to administer pay progression practices authorized in this section, including establishing administrative review procedures for non-probationary employees who are deemed ineligible to receive a salary adjustment.

- D. **Funding:** salary increases shall be limited to the funding allocation established by the Budget and Management Division for each department.

E. **Exceptions and exclusions:**

- 1) Positions in approved Career Ladders - salary adjustments or pay progression practices shall be consistent with the terms and conditions established for the Career Ladders.
- 2) Assistant City Attorney positions in the City Attorney’s Office - incumbents who are subject to pay progression practices per an approved performance merit plan are subject to the conditions and restrictions of that plan. The City Attorney is authorized to create a performance merit pay with salary adjustments that shall not exceed 4% of an eligible employee's salary. Salary adjustments for eligible employees shall be contingent upon the availability of funds within the City Attorney's Office budget as determined by the Budget and Management Analysis Division.
- 3) Positions in the Employee Retirement System with a footnote authorizing their compensation to be at any rate in the pay range upon approval of the Annuity and Pension Board.
- 4) Sworn Represented positions in SECTION 4 –Protective Services
- 5) Positions in SECTION 8 – Service and Maintenance that are represented by the Milwaukee Operations Driver Worker Union, Inc.
- 6) Positions in SECTION 9 – Hourly, Part-time, Intermittent.
- 7) Positions in SECTION 10 - Boards and Commissions.
- 8) Positions in Section 11 - Elected Officials.

**Delete the heading of “SECTION 5 - SALARY ADJUSTMENTS” and Sections A, B, C, D, G, H, and I and substitute the following:**

**SECTION 5 – SPECIAL PAY PRACTICES**

**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.

A promotion into positions classified as Officials and Administrators in Pay Ranges 1AX - 1GX, and positions classified as Professionals in Pay Ranges 2AN to 2JN and 2EX to 2KX, shall be at 7% 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.

A promotion into positions classified as Officials and Administrators Pay Ranges 1HX to 1PX, positions classified as Professionals in Pay Range 2LX to 2QX shall be at 10% above the rate received prior to promotion or the minimum of the new pay range, or the footnoted minimum recruitment rate, whichever is greatest.

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.

**B. Salary Anniversary Date upon Promotion, Reclassification, or Reallocation:** All employees, with the exception of sworn Fire or Police employees, will receive a new salary anniversary date when promoted, reclassified, or reallocated to a higher-level position, except that adjustments will be made for time off the payroll or deferred salary increments. Sworn Fire or Police employees not at the maximum of their pay range will retain their salary anniversary date when they are promoted or reallocated to a higher level pay range.

**C. Pay Equity Adjustments:** In order to establish flexibility to address internal equity problems, the Department of Employee Relations in consultation with the Budget and Management Division is authorized to recommend pay equity salary adjustments at the request of appointing authorities for employees holding positions in the Officials and Administrators (Section 1), Professionals (Section 2), Technicians (Section 3), Protective Service Workers (Section 4) with the exception of represented sworn employees, Paraprofessionals (Section 5), Administrative Support (Section 6), Skilled Craft (Section 7), and Service and Maintenance (Section 8). Such adjustments shall be approved by the Chair of the Finance and Personnel Committee.

Equity adjustments are limited to no more than 10% of the employee's current salary. They may be requested when an eligible non-probationary employee is being compensated at a rate of pay that is below the rate of a newer employee with less experience in the same classification or performing similar work. Both employees must be performing the work at the same level of proficiency. The adjustment shall not exceed the rate of pay of the new employee, must be approved prospectively, and must not exceed the maximum of the range. The adjustment shall not create pay compression problems within the work unit and must be funded via departmental budgets.

**D. Professional Development Awards:** Employees holding positions classified as Officials and Administrators (Section 1), Professional (Section 2), and non-represented sworn position under Section 4, Protective Service Workers, who attain a professional degree, designation or certification that is not a minimum requirement of the job but that is related to the mission, goals, and objectives of the department may be awarded one non-pensionable, non-base building, lump sum award of \$700 each year as requested by the appointing authority and approved by the Department of Employee Relations. This provision does

not apply to employees receiving additional compensation for a degree, a professional designation or certification otherwise authorized under Part I of this Ordinance or comparable provision under Chapter 350 of the Milwaukee Code of Ordinances. This provision does not apply to employees who are part of an approved Career Ladder.

- G.** 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 (H).
- H.** 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.