



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
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Nicole Fleck
Labor Negotiator

July 19, 2017 (Revised July 25, 2017)

To the Honorable
Finance and Personnel Committee
Common Council
City of Milwaukee

Re: Common Council File #170580

Dear Committee Members;

-Summary-

This report recommends changes to Part II, Section 4, of the Salary Ordinance (Salary Advancement and Salary Anniversary Dates) to allow the implementation of pay progression adjustments for Group B employees (Officials and Administrators, Professionals and Sworn Management employees in the Protective Services) effective Pay Period 20 (September 24, 2017). The recommended changes will allow the City to continue pay progression practices started in 2016 that link pay to merit and performance principles for employees in management and professional positions. The implementation of salary adjustments for eligible Group B employees will support the City's recruitment and retention efforts given the challenges associated with turnover and separation rates in the City service. Funding for salary adjustments under this recommendation was included in the 2017 City Budget.

This report also recommends changes to Parts I and II of the Salary Ordinance to clarify that employees who reach the maximum of the pay range within a Career Ladders may be eligible to receive a lump sum payment, and to have Group A employees (Technicians, Paraprofessionals, Administrative Support, Skilled Crafts, and Service and Maintenance) who are given a higher level temporary or emergency appointment receive a 3% increase in rate of pay instead of a rate that is at least \$10 more than the previous rate of pay.

Pay Progression Adjustments for Group B Employees in 2017

Common Council File #161034 authorized changes in the 2017 Salary Ordinance to continue pay progression practices established in 2016 for employees of the City of Milwaukee who are not covered by provisions of collective bargaining agreements or positions that are part of an official career ladder established on or after Pay Period 2, 2012.

Since the beginning of the year salary adjustments for employees in official career ladders and employees holding positions classified as "Group A" have been implemented consistent with the provisions of the Salary Ordinance. Group A generally includes Technicians, Paraprofessionals, Administrative Support, Skilled Craft, and Service and Maintenance positions. Adjustments for Group B employees, including Officials and Administrators, Professionals, and Sworn Management employees in the Protective Services, have been on hold pending more information regarding what is expected to be a significant increase in the City's required pension contribution in 2018.



A recent budget projection indicates the budget can support the pension contribution increase and allow pay progression effective Pay Period 20 (September 24, 2017). To implement this recommendation the Salary Ordinance would need to be changed as follows:

Under Part II, Section 4, B, of the Salary Ordinance (Salary Anniversary Dates and Timing of Salary Adjustments) change the first paragraph as follows:

B. Salary Anniversary Dates and Timing of Salary Adjustments: A determination regarding an employee's eligibility for a salary adjustment will be made near or on the employee's salary anniversary date. The salary adjustment resulting from that process will be effective the pay period of the employee's salary anniversary date. Lump sum payments due to eligible employees will be paid in accordance with guidelines developed and administered by DER. *Salary adjustments for Group B eligible employees will be effective Pay Period 20, 2017 or on their anniversary date if it occurs after Pay Period 20.*

Clarification that Employees at the Maximum within a Career Ladder may be eligible for a Lump Sum Payment

To clarify language in the Salary Ordinance that an employee at the maximum of the pay range within a career ladder may be eligible for a lump sum payment, this communication recommends the following change effective Pay Period 1, 2016 (December 20, 2015).

Under Part II, Section 4, E, of the Salary Ordinance (Exceptions and exclusions) change item 1) as follows:

- 1) Positions in approved Career Ladders – salary adjustments or *advancement within a career ladder, including lump sum payments*, shall be consistent with the *guidelines established by DER* for the Career Ladders.

Promotional Increase for Emergency and Temporary Appointments Changed to 3% for Group A Employees

Currently certain positions throughout the City Service have a footnote that provides for a rate that is \$10 more biweekly than the current rate of pay when given a higher level temporary or emergency appointment. These positions are all within Group A. Below is an example of one of these footnotes:

Under Pay Range 8EN, the title "Custodian Worker III" has the footnote designation (4) which reads as follows:

(4) An employee given a promotional emergency or temporary appointment to this title to be paid at \$1,442.40, \$1,471.22, \$1,503.67, \$1,537.90, \$1,588.46. The appointment shall be at a pay rate that is at least \$10 more biweekly than the employee was receiving. An employee who reaches 2080 hours of work at a rate shall advance to the next higher rate.

These footnotes may provide a lower rate of compensation when compared to the 2% pay progression increase available to a Group A employee. As a result, these footnotes may create a disincentive for a Group A employee to take an emergency or temporary appointment.

This communication therefore recommends deleting all such footnotes in Sections 3, 5, 6, 7, and 8 of the Salary Ordinance. In lieu of these footnotes the following language is proposed for Part II, Section 5, of the Salary Ordinance (Special Pay Practices) to provide for a 3% increase in rate of pay for an employee who is given a higher-level temporary or emergency appointment. This language would have the effect of treating all employees within these sections more consistently.



To implement this recommendation, effective Pay Period 18 (August 27, 2017), the Salary Ordinance would need to be changed as follows:

Under Part II, Section 5, A, (Promotions, Reclassifications, and Reallocations) add the following as a fifth paragraph:

Effective Pay Period 1 (January 1, 2017) an employee given a promotional emergency or temporary appointment to a title in Section 3, 5, 6, 7 or 8 of the Salary Ordinance shall receive a 3% increase 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.

Under Part I, Pay Range 3HN, delete footnotes (4) and (5) and these footnote designations from the titles "Maintenance Technician III" and "Sewer Maintenance Scheduler".

Under Pay Range 6IN, delete footnote (1) and the footnote designation from the title "Lead Parking Checker".

Under Pay Range 6JN, delete footnote (3) and the footnote designation from the title "Communications Assistant IV" and "UCC Customer Service Representative IV".

Under Pay Range 6KN, delete footnote (2) and the footnote designation from the title "Communications Assistant V".

Under Pay Range 7CN, delete footnote (5) and the footnote designation from the title "Equipment Mechanic II".

Under Pay Range 7EN, delete footnote (7) and the footnote designation from the title "Equipment Mechanic IV".

Under Pay Range 7FN, delete footnote (3) and the footnote designation from the title "Lead Equipment Mechanic".

Under Pay Range 8EN, delete footnote (4) and the footnote designation from the titles "Custodial Worker III", "Laborer (Electrical Services)", "Sewer Laborer I", and "Water Distribution Laborer".

Under Pay Range 8FN, delete footnotes (7), (8), and (9) and these footnote designations from the titles "Cement Finisher Helper", "Garage Custodian", "Infrastructure Repair Worker", "Sewer Laborer II", "Special Fleet Services Laborer", and "Traffic Sign Worker I".

Under Pay Range 8GN, delete footnote (3) and the footnote designation from the titles "Sewer Crew Leader I", "Special Laborer (Electrical Services)", and "Utility Worker (Electrical Services)".


Under Pay Range 8HN, delete footnotes (1) and (2) and the footnote designations from the titles "Sewer Crew Leader II" and "Sewer Field Investigator".

Under Pay Range 8IN, delete footnotes (2), (3), and (4) and these footnote designations from the titles "Bridge Operator Lead Worker", "Infrastructure Repair Crew Leader", and "Water Distribution Utility Investigator".

Under Pay Range 8JN, delete footnote (3) and the footnote designation from the title "Sewer Examiner II".

Under Pay Range 8KN, delete footnote (5) and the footnote designation from the title "Sewer Repair Crew Leader".

Sincerely,



Maria Monteagudo
Employee Relations Director





City of Milwaukee Fiscal Impact Statement

A

Date	July 20, 2017	File Number	170580
Subject	Timing of Salary Adjustments; and Changes to Pay Practices for Emergency and Temporary Appointments.		

B

Submitted By (Name/Title/Dept./Ext.)	Sarah Trotter, Human Resources Representative Dept. of Employee Relations/X2398.
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C

This File	<input checked="" type="checkbox"/> Increases or decreases previously authorized expenditures. <input type="checkbox"/> Suspends expenditure authority. <input type="checkbox"/> Increases or decreases city services. <input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability. <input type="checkbox"/> Increases or decreases revenue. <input checked="" type="checkbox"/> Requests an amendment to the salary or positions ordinance. <input type="checkbox"/> Authorizes borrowing and related debt service. <input type="checkbox"/> Authorizes contingent borrowing (authority only). <input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.
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D

This Note	<input type="checkbox"/> Was requested by committee chair.
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E

Charge To	<input checked="" type="checkbox"/> Department Account <input type="checkbox"/> Contingent Fund
	<input type="checkbox"/> Capital Projects Fund <input type="checkbox"/> Special Purpose Accounts
	<input type="checkbox"/> Debt Service <input type="checkbox"/> Grant & Aid Accounts
	<input type="checkbox"/> Other (Specify) _____

F**Assumptions used in arriving at fiscal estimate.**

Funding for Pay Progression Salary Adjustments are included in the 2017 Budget. The cost for changing the pay practice for Emergency and Temporary Appointments to 3% depends on several factors, however, there are 29 titles affected and if 2 employees in each title received an additional \$200 per year the cost would be \$11,600 + Rollups of \$2,372 = \$13,972.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$11,600	
Supplies/Materials			
Equipment			
Services			
Other		\$2,372 (Rollups)	
TOTALS		\$13,972	

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years \$13,972

 1-3 Years 3-5 Years _____

 1-3 Years 3-5 Years _____

I

List any costs not included in Sections E and F above.

J

Additional information.
