

## Department of Employee Relations

Tom Barrett Mayor

Maria Monteagudo Director

Michael Brady Employee Benefits Director

Deborah Ford Labor Negotiator

November 10, 2016

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

Dear Committee Members:

Subject: Common Council File #160980: Communication from the Department of Employee Relations relating to pay progression for Operations Driver Workers.

In December of 2015, File #151209 was approved that authorized pay progression practices for certain City of Milwaukee employees. This action allowed general city employees *in good standing* to receive salary adjustments of 2% of the minimum of their pay range on their anniversary date. At that time employees in the title of Operations Driver Worker (ODW) in Pay Range 8KN (\$37,931-\$49,811) were excluded as employee representatives had requested consideration of an alternative proposal for 2016. Employees and their labor representatives were concerned about designing and implementing a salary adjustment proposal that would address the peer pay compression problem that stemmed from years of frozen wages (newly hired ODWs receiving the same base rates as employees hired in 2009 and after).

This report recommends salary adjustments that address pay equity and pay compression considerations for employees holding the ODW title based on time in grade considerations. This proposal recommends using the funds allocated in the 2016 budget for pay progression for ODW's to authorize a one-time salary adjustment for employees. The amount and the form of the adjustment differ depending upon the employee's seniority date in the title and whether they are at or close to the maximum of the pay range. The details of the proposal are presented below:

- An employee at or above the maximum of the pay range is eligible to receive a non-pensionable lump-sum payment equivalent to \$32.58 per pay period for every pay period he or she was on the payroll during 2016.
- An employee with a seniority date from 2002 through 2014 is eligible to receive a base building adjustment of 2% of the midpoint of the pay range (or \$33.75 per pay period) for every pay period he or she was on the payroll during 2016. This base building adjustment shall not permit an employee's base rate to exceed the maximum of the pay range. The adjustment difference may be authorized in the form of a non-pensionable lump sum payment.
- An employee with a seniority date of 2015 or after, who has passed probation is eligible to receive a base building increase of 1% of the midpoint of the pay range (or \$16.87 per pay



period) for every pay period he or she was on the payroll during 2016). An employee who successfully completes probation in 2016 will be eligible for the adjustment prospectively.

With the exception of employees who pass probation in 2016, the effective date for the salary adjustments would be December 20, 2015 (Pay Period 1, 2016). Such adjustments will be administered consistent with administrative guidelines prepared by DER.

In order to effectuate this salary adjustment for ODW's we recommend the following changes to the Salary Ordinance.

In Part II of the Salary Ordinance, Section 4 – Salary Advancement and Salary Anniversary Dates, Item E. Exceptions and Exclusions, delete 5) in its entirely and replace with the following:

5) Positions in Section 8 - Service and Maintenance that are represented by the Teamsters to receive a one-time salary adjustment effective pay period 1, 2016 (December 20, 2015) as detailed in Common Council File #160980 and guidelines established by DER.

Sincerely,

Maria Monteagudo

Employee Relations Director

MM/fw

C: Nicole Fleck