

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 24-22-23 by Alderpersons Mitchell and Filicky-Peneski adopting updated wage classifications and steps as part of the 2022 City of Sheboygan Compensation Program for Non-Represented Employees

REPORT PREPARED BY: Kaitlyn Krueger, Finance Director

REPORT DATE: June 3, 2022

MEETING DATE: June 7, 2022

FISCAL SUMMARY:

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

STATUTORY REFERENCE:

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

BACKGROUND / ANALYSIS:

In April 2021, the City contracted with the consulting firm, Carlson-Dettmann, to conduct a full classification and compensation study for all non-represented positions. This study's purpose was to determine the comparability of the City's wage rates with that of other municipalities and, to the extent possible, the private sector for the purposes of developing a new pay plan for the City.

To kick off the process, employees were asked to fill out a Job Description Questionnaire (JDQ) to detail their day-to-day job duties and responsibilities including assigning percentages to the tasks required of them. In addition, staff was to provide information related to interactions with individuals inside and outside the organization, work environment, physical requirements and the management role they hold. Once turned in, supervisors reviewed the JDQ to make sure that they agreed with the information provided by the employees. Supervisors also filled in additional details related to minimum education, experience and licensing required of the position. The JDQs were turned into Human Resources, who was then in charge of final review and forwarding the information to the consultant. In August and September, Department Heads met with Carlson-Dettmann and Human Resources to review the JDQs and talk through the positions. These meetings occurred in August and September.

Carlson-Dettmann took the information provided by City staff and rated the positions based on the following criteria: thinking challenges, decision-making, interactions/communications, work environment and formal preparation/experience. With these ratings, benchmark jobs were determined to develop how positions fell onto the pay structure within the City. The positions were then compared to market data to develop the pay bands on each step of the scale. Tests for reasonableness and accuracy were performed to be sure that the study fell in line

statistically with the data collected. Several iterations of draft documents were vetted by the City Administrator, Finance Director and Human Resources staff to make sure all employees were included and any questions to help understanding were asked.

In May, Administrator Wolf and Finance Director Krueger met with each Department Head to review the draft pay scale and provide feedback with concerns that were to be looked at prior to publication. An email was sent to all staff affected by this study Wednesday, June 1st to make them aware that the Finance & Personnel Committee and ultimately Council would be considering the proposed pay scale. Staff is planning additional communication to non-represented staff to educate about the process and to explain next steps.

STAFF COMMENTS:

Staff is requesting adoption of the pay scale as provided by Carlson-Dettmann. The pay scale places the control point at the average of the 50th and 75th percentile, which allows the City to remain competitive in an environment where almost all employers are looking to adjust compensation. The City is looking to implement a market-driven and fair scale that will allow for the retention and hiring of talent.

Staff is also proposing an implementation where all employees would be moved up to the next closest step on their grade and employees who have a minimum of five years of employment at the City would be moved to Step 5 at a minimum. The implementation date being proposed would be July 10th with the change being reflected on employee's August 5th paycheck. The following chart shows some of the statistics related to this implementation:

Movement to Step 1	40
Movement to Step 5 based on Service Years	47
Currently over Max Step on Pay Scale	11

The **estimated** financial impact of the proposed implementation described is shown below:

Total Base Wages	\$14,320,173
Annual Cost of Implementation*	\$674,132
*Includes estimated FICA, Retirement and Worker's Compensation costs	

Upon Common Council approval, additional information will be communicated to the non-represented staff detailing how the new scale and implementation will affect them individually.

A budget amendment resolution will also be coming forward once direction and approval has been given to the Finance Department over implementation. There is currently \$400,000 set aside to fund the 2022 wage adjustments that will be reallocated to the various department budgets.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res. No. 24-22-23 by Alderpersons Mitchell and Filicky-Peneski adopting updated wage classifications and steps as part of the 2022 City of Sheboygan Compensation Program for Non-Represented Employees.

ATTACHMENTS:

I. Res. No. 24-22-23

II. Proposed 2022 City of Sheboygan Non-Represented Wage Scale