

Approved
9-15-14

14-1858

RESOLUTION

**Compensation Plan Implementation and Administration Guidelines
Revised Pay Plan**

WHEREAS, the Common Council engaged with Carlson Dettmann Consulting to develop a consistent pay structure for employees who were not members of unions following the enactment of Act 10, and adopted a new Compensation Plan on April 7, 2014; and

WHEREAS, since then, the City has gone through an appeals process and further discussions with the new HR Director regarding recommended guidelines to complete the implementation, including compensation plan maintenance, guidelines, annual review cycle, FLSA status recommendations, job title recommendations and appeal recommendations; and

WHEREAS, it is in the best interest of the City's administration of a consistent pay structure to adopt the attached Compensation Plan Implementation and Administration Guidelines and revised Pay Plan, as approved by the Personnel Committee at a meeting held on September 8, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of Manitowoc to adopt the attached Compensation Plan Implementation and Administration Guidelines, and revised Pay Plan, effective upon passage of this resolution.

BE IT FURTHER RESOLVED that the Finance Director/Treasurer is directed to ensure employee payroll is updated with this change beginning with the first pay period after the enactment of this resolution.

SEP 15 2014

Introduced _____

Adopted _____

Approved _____

Justin Nickels, Mayor

This Resolution was drafted by Kathleen M. McDaniel, City Attorney



Compensation Plan Implementation

The Compensation Plan for the City of Manitowoc was adopted in April 2014. Since then, the City has gone through an appeals process and further discussions with the new HR Director regarding recommended guidelines to complete the implementation. Below are recommendations to the follow up items regarding the compensation plan maintenance, compensation guidelines, annual review cycle, FLSA status recommendations, job title recommendations and appeal recommendations.

Compensation Plan Maintenance

With proper care and maintenance of the pay plan, the frequency for a comprehensive pay plan review is minimized. The established guidelines should be followed to properly implement the compensation plan for equity amongst employees and consistency with the established pay philosophy.

As positions substantially change in responsibility, a compensation review will be conducted to ensure proper pay grade placement based on new job responsibilities. This will be initiated by the HR Director annually, coinciding with the budget process. The HR Director will work with the department managers to determine if a position has changed substantially and warrant review. Similarly, all newly created positions will be reviewed and analyzed for grade placement in the pay structure. The HR Director will partner with each department manager in creating a detailed job description and send it to Carlson Dettmann for evaluation.

Annually the HR Director will review the pay structure and recommend an adjustment based upon market conditions and the cost of living. The average 2014 structure adjustment was 1.9% according to Carlson Dettmann, and the anticipated 2015 structure adjustment is 2.1%. Note this is separate and distinct from any employee movement within the established pay structure (steps). Adjustments to the structure itself ensure that the pay plan maintains pace with the competitive marketplace.

The City will commit to re-evaluating every position through a full benchmark study every five years; the first for the City of Manitowoc will be in 2018, with implementation of recommended changes in 2019. The impact of the full study will be minimized if the City is diligent in identifying when positions change in scope and responsibility, and having them re-evaluated at that time. By maintaining and re-evaluating the positions within the pay plan regularly, the City will maintain its competitive placement in the market.

As the City moves to a pay for performance based culture, the City needs a solid commitment to funding the performance-based pay. It is important to the success of the pay plan and overall morale of the workforce. The City needs to be committed to investing in the employees and paying appropriately, first based on the market (pay structure), and secondly based on performance (contributions to the team, evaluated through performance reviews).

Compensation Guidelines

The guidelines below are to be followed when making wage decisions for employees. Any exceptions to these guidelines need Human Resources Director and Department Head approval and signature.

EMPLOYEE EVENT	GUIDELINE
New Hire	Step 1 with ability to offer up to Step 3 based on experience, partner with HR Director and Department Head for approval above Step 1
Annual Review	Step increase (2.5%) based on meeting expectations or above in performance review
Annual Review, Red Circle Employees*	Lump Sum Payments, paid in two installments (Jan & Jul) 1% of the control point of the position grade, based on meeting expectations or above in performance review
90 Day Review	No step increase
Promotion**	The step that provides at least a 5% increase, or up to Step 1 of the position grade the employee is being promoted into, whichever is greater
Transfer**	No step increase
Demotion	Decrease step to a level within the pay scale, each situation will be unique, partner with HR Director and Department Head for final approval

**Red Circle Employees: employees whose pay is at or above the maximum of the pay scale*

***Promotion: moving to a position with a higher pay grade*

****Transfer: moving to a new position within the same pay grade*

Please note the recommendation is to hire employees at Step 1 (and the ability to hire up to Step 3 based on experience) with a probationary period of 90 days. At the conclusion of the probationary period, a 90 day review is given, and the wage remains the same. During the annual review, the employees can move up one step based on satisfactory job performance review ratings up to the maximum of the position grade, at which time they are no longer for an increase; however, are eligible for a lump sum payment.

In order to attract qualified candidates to fill positions, the City needs to commit to the pay plan, paying appropriate wages for the position based on the market and position formula. Having a starting wage set at Step 1, 85% of control point, will put the City in a competitive position to attract candidates. The risk of not hiring the right candidate due to a low starting wage will cost a significant amount of money in the long run; after time and money is invested in recruitment, training, and onboarding.



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Annual Review

All employees will follow the review cycle based upon the month they are hired. See the chart below.

- All employees hired between September and May will receive a review and consideration for an increase on their 1st year anniversary, annually in July thereafter.
- All employees hired between June and August will receive a review and are eligible for the annual merit process in July.

Annual Review Cycle - Hired by Month

Year of Employment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1 st Year	Jan Annv	Feb Annv	Mar Annv	Apr Annv	May Annv	July Annual	July Annual	July Annual	Sep Annv	Oct Annv	Nov Annv	Dec Annv
2 nd + Year(s)	July	July	July	July	July	July	July	July	July	July	July	July

FLSA Status Changes

To be in compliance with the FLSA laws based on the job responsibilities, Carlson Dettmann’s recommended FLSA status changes are below. The recommendation is to implement these changes immediately, with the exception of Police Captain. The Police Captain change will occur when the City moves forward with other recommended changes for that position, as well as the Police Lieutenant position.

JOB TITLE	CURRENT FLSA STATUS	RECOMMENDED FLSA STATUS
Deputy City Clerk	Exempt	Non Exempt
Assistant Director Rahr West	Non Exempt	Exempt
Police Captain	Non Exempt	Exempt

Title Changes

Carlson Dettmann’s recommended job titles are below. These changes are based upon the job responsibilities and comparable positions within other municipalities and private sector roles.

JOB TITLE	RECOMMENDED JOB TITLE
Engineering Team Leader	Engineering Division Manager
Transit/B & G Team Leader	Transit/B&G Division Manager
Operations Assistant	Operations Division Manager (Streets)
Operations Assistant	Operations Division Manager (Cemetery/Parks)
Dep Dir Of Bldg Insp	Building Inspector



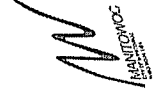
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Recreation Team Leader	Recreation Division Manager
Elec & Elec Insp	Electrical Inspector
Associate Planner	Associate Planner/Economic Development Expediter
Plumbing Insp	Plumbing Inspector
Operations Business Mgr	Business Manager
Assistant Curator	Assistant Rahr West Director
City Surveyor Technician	Survey Technician
Engineering Aide III	Engineering Technician
Electromechanical Tech	Electromechanical Technician
Maintenance Engineer II	Maintenance Engineer
Secretary To Building	Community Development Assistant
Eng/Storm Tech	Engineering / Storm water Technician
Engineering Aide II	Engineering Technician
Sec To Mayor/Attorn	Mayor/Attorney Assistant
Administrative Assist	Administrative Assistant
Cemetery Worker II	Cemetery Laborer
Park Worker II	Parks Laborer
Streets	Streets Laborer
ISF Billing/Parts Spec	Administrative Support Specialist
Clerk Typist I	Property Evidence Clerk
Clerk Typist III	Administrative Support Specialist
Clerk Typist II	Administrative Support Specialist
Building Custodian	Custodian
Park Worker I	Park Caretaker
Community Ser Worker II	Community Service Worker
Bridgetenders	Bridgetender
Relief Bridgetender	Bridgetender

Appeals

A summary of the appeals are below with the final recommendation from Carlson Dettmann. The recommendation is to implement these changes immediately.

Department	Job Title	Adopted Grade	Recommended Grade	Comments
Cem & Parks	Cemetery Team Leader	G	H	Adjusted Decision-Making and Educational requirements
DPI	Administrative Assistant	F	G	Adjusted Formal Preparation / Experience & Thinking Challenges / Problem Solving
DPW	Administrative Support Specialist	F	No Change	Adjusted Decision-Making ... Additional Points, But No Grade Change
DPW	Bridgetender	C	No Change	
DPW	Mechanic	H	I	Adjusted Thinking Challenges / Problem Solving & Work Environment
DPW	Business Manager	J	K	Adjusted Interactions / Communications
DPW	Streets Laborer	F	No Change	Adjusted Thinking Challenges / Problem Solving & Work Environment ... Additional Points, But No Grade Change
Engineering	Survey Technician	I	No Change	
Engineering	Engineering / Stormwater Technician	H	No Change	
Engineering	Engineering Technician	H	No Change	
Inspection	Building Inspector	M	No Change	
Inspection	Plumbing Inspector	K	No Change	Adjusted Decision-Making ... Additional Points, But No Grade Change
Mayor	Mayor Assistant	G	H	Adjusted Formal Preparation / Experience & Decision-Making
Police	Office Manager	J	K	Adjusted Thinking Challenges / Problem Solving & Work Environment ... Additional Points
Recreation	Recreation Division Manager	L	No Change	
Senior Center	Administrative Support Specialist	F	No Change	
WWTF	Assistant Superintendent	L	M	Adjusted Formal Preparation / Experience & Thinking Challenges / Problem Solving
WWTF	Chemist	G	No Change	Adjusted Formal Preparation / Experience ... No Grade Change
WWTF	Mechanic	H	I	Adjusted Thinking Challenges / Problem Solving & Work Environment



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Changes to the employee's grades impact their pay; the proposed step in the new grades is the closest step that they would receive an increase. The recommendation is to make this effective on July 1st and backdate this change.

Last Name	First Name	Job Title	Adopted Grade	Adopted Step	Adopted Annual	Cost of Implementation	Proposed Grade	Proposed Step	Proposed Annual	Cost Impact
Birr	Sonja M	Administrative Assistant	F	5	\$38,376	\$62	G	2	\$38,917	\$541
Rusboldt	Bradley J	Mechanic	H	1	\$41,267	\$3,557	I	1	\$44,741	\$3,474
Shirmek	Jeffrey S	Cemetery Team Leader	G	12	\$50,419	\$0	H	9	\$50,981	\$562
Sohliden	Heather L	Mayor Assistant	G	5	\$43,160	\$728	H	2	\$43,388	\$228
Revollinsky	James J	Mechanic	H	10	\$53,414	\$624	I	7	\$53,851	\$437
Christensen	Jeri Lynn	Office Manager	J	1	\$48,193	\$3,848	K	1	\$51,667	\$3,474
Dorow	Karen A.	Business Manager	J	4	\$52,457	\$1,186	K	2	\$53,186	\$729
Sgarioto	Michael J	Mechanic	H	6	\$47,840	\$84	I	3	\$47,860	\$20
Jaeger	Michael W	Assistant Superintendent	L	5	\$61,610	\$520	M	3	\$62,046	\$436
Nehring	Ronald L	Mechanic	H	1	\$41,267	\$3,557	I	1	\$44,741	\$3,474
Total Cost: \$13,375										

*The annual cost of this change is \$13,375, and \$6,688 for the remainder of 2014.

2014 COMPENSATION GRADES
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GRADE	JOB TITLE	DEPARTMENT	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12
T	City Attorney	Attorney	\$42,33	\$43,58	\$44,82	\$46,07	\$47,31	\$48,56	\$49,80	\$51,05	\$52,29	\$53,54	\$54,78	\$56,03
	Dir Of Public Infrastructure	Engineering												
	Dir Of Community Development	Planning												
5	Finance Director/Treasurer	Finance	\$39,00	\$40,15	\$41,29	\$42,44	\$43,59	\$44,73	\$45,88	\$47,03	\$48,17	\$49,32	\$50,47	\$51,62
	Fire Chief	Fire												
	Human Resources Director	HR												
	Police Chief	Police												
R	VACANT		\$36,50	\$37,57	\$38,65	\$39,72	\$40,79	\$41,87	\$42,94	\$44,01	\$45,09	\$46,16	\$47,23	\$48,31
Q	VACANT		\$34,83	\$35,86	\$36,88	\$37,91	\$38,93	\$39,96	\$40,98	\$42,00	\$43,03	\$44,05	\$45,08	\$46,10
P	Deputy Fire Chief	Fire	\$33,17	\$34,14	\$35,12	\$36,09	\$37,07	\$38,04	\$39,02	\$40,00	\$40,97	\$41,95	\$42,92	\$43,90
	Deputy Police Chief	Police												
O	Engineering Division Manager	Engineering	\$31,50	\$32,43	\$33,35	\$34,28	\$35,21	\$36,13	\$37,06	\$37,99	\$38,91	\$39,84	\$40,77	\$41,69
	Rahr West Director	WWTF												
	Superintendent	WWTF												
N	Assistant City Attorney	Attorney	\$29,84	\$30,71	\$31,59	\$32,47	\$33,35	\$34,22	\$35,10	\$35,98	\$36,86	\$37,73	\$38,61	\$39,49
	Assistant Finance Director	Finance												
	Deputy City Planner	Planning												
	Captain	Police												
	Detective Captain	Police												
	Patrol Captain	Police												
	Police Captain	Police												
	Police Captain	Police												
	Transit/B & G Division Manager	Transit												
M	Battalion Chief	Fire	\$21,31	\$21,94	\$22,56	\$23,19	\$23,82	\$24,44	\$25,07	\$25,70	\$26,33	\$26,95	\$27,58	\$28,21
	City Assessor	Assessor	\$28,17	\$29,00	\$29,83	\$30,65	\$31,48	\$32,31	\$33,14	\$33,97	\$34,80	\$35,63	\$36,45	\$37,28
	Operations Division Manager	DPW												
	Building Inspector	Inspection												
	Police Lieutenant	Police												
	Police Lieutenant	Police												
	Assistant Superintendent	WWTF												
L	City Clerk	Finance	\$26,50	\$27,28	\$28,06	\$28,84	\$29,62	\$30,40	\$31,18	\$31,96	\$32,74	\$33,52	\$34,30	\$35,08
	Comptroller	Finance												
	Recreation Division Manager	Recreation												
K	Electrical Inspector	DPW	\$24,84	\$25,57	\$26,30	\$27,03	\$27,76	\$28,49	\$29,22	\$29,95	\$30,68	\$31,41	\$32,14	\$32,87
	Plumbing Inspector	Inspection												
	Associate Planner/Economic Development Expediter	Planning												
	WWTF Electrician	WWTF												
	Business Manager	DPW												
	Office Manager	Police												

2014 COMPENSATION GRADES
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D	VACANT	\$14.13	\$14.54	\$14.96	\$15.37	\$15.79	\$16.20	\$16.62	\$17.04	\$17.45	\$17.87	\$18.28	\$18.70
C	Bridge tender	\$13.08	\$13.47	\$13.85	\$14.24	\$14.62	\$15.01	\$15.39	\$15.77	\$16.16	\$16.54	\$16.93	\$17.31
B	VACANT	\$12.11	\$12.47	\$12.83	\$13.18	\$13.54	\$13.89	\$14.25	\$14.61	\$14.96	\$15.32	\$15.68	\$16.03

DPW