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# CITY OF MANITOWOC

WISCONSIN, USA  
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16-210

February 19, 2016

## VETO

TO: Council President Eric Sitkiewitz  
Members of the Common Council

FROM: Mayor Justin M. Nickels

SUBJECT: Resolution 2016-0141

Dear Council President Sitkiewitz and Members of the Common Council,

Please allow me to provide the Common Council with this written communication vetoing the Common Council's action on Resolution number 2016-0141 which revises our employee policy manual to include wage exceptions for moving employees up to two steps during the annual review process with justification and Mayor and Common Council approval. This resolution was adopted by your body on February 15 by a 6-4 affirmative vote.

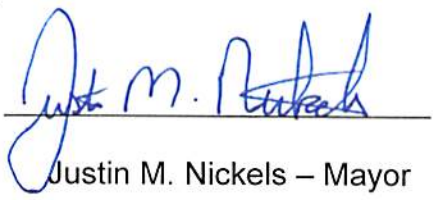
I am vetoing this resolution because I believe we are still in the very early stages of our ultimate goal to move to a performance based compensation plan. I fear potential inequities might arise by approving single wage adjustments as "exceptions" to the policy we originally adopted and vowed to adhere to. It is my goal (rather than to approve this single policy change) to begin the discussion of a comprehensive pay-for-performance plan that we expect to implement in 2017 and beyond since that was our collective goal when we adopted the compensation plan.

As always, feel free to contact me anytime if you have any questions, comments, or concerns.

Sincerely,

2/19/16

Date



Justin M. Nickels – Mayor  
City of Manitowoc

CC: Jennifer Hudon, City Clerk (official record), Rochelle Blindauer, Human Resources Director



# 16-0141



**Standing Committee:** Personnel Committee

**Document Name:** Resolution to approve revisions to the Employee Policy Manual to include wage exceptions for moving employees two steps during the annual review process with justification and Mayor and Common Council approval.

Consent

Non-Consent

Chairman Recommend

**Recommendation:** Adoption of the resolution

**Attest:**

*Jill Hennessey*

2.15.16

Chair - Alderperson Jill Hennessey

Date

*Christopher Able*

Vice-Chair - Alderperson Christopher Able

*Jason Sladky*

Alderperson Jason Sladky

*Scott McMeans*

Alderperson Scott McMeans

*Pat Brandel*

Alderperson Pat Brandel

**Approved:**

Justin M. Nickels  
Mayor

Date

Personnel  
2-15-16

16-0141

**RESOLUTION**  
**EMPLOYEE POLICY MANUAL**  
**COMPENSATION GUIDELINES – STEP INCREASES**

WHEREAS, the City of Manitowoc’s Employee Policy Manual provides continuity and consistency in the operations and the administration of benefits and working conditions for all employees of the City of Manitowoc, and;

WHEREAS, the Personnel Committee has determined a modification of the Employee Policy Manual, Compensation Guidelines, Annual Review, is appropriate to include “Exceptions: step increase of two steps shall be approved through the Mayor and Common Council via resolution with detail justification for the exception”; and,

WHEREAS, the Personnel Committee recommended approval of the modifications to the existing Employee Policy Manual, at a meeting held on Monday, February 1<sup>st</sup>, 2016.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Common Council of the City of Manitowoc to approve revisions to the Employee Policy Manual to include wage exceptions for moving employees <sup>up to</sup> two steps during the annual review process with justification and Mayor and Common Council approval, effective upon passage of this resolution.

INTRODUCED FEB 15 2016 Justin M. Nickels

ADOPTED \_\_\_\_\_

APPROVED \_\_\_\_\_

\_\_\_\_\_  
Justin M. Nickels, Mayor

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

- Fiscal Impact: n/a
- Funding Source: n/a
- Finance Director Approval: /sc
- Approved as to form: /kmm



## Compensation Guidelines

### 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.

### 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	One step increase (2.5%) based on meeting expectations or above in performance review, note: no increase will be given if there was a promotional increase in the prior 6 months
Annual Review, Red Circle Employees*	Exceptions: step increase of more than one (two steps) shall be approved through the Mayor and Common Council via resolution with detailed justification for the exception. 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% annual 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