

Compensation Study

Presentation to Common Council, 7/19/2021

Jay Shambeau, City Administrator



Compensation Study

- Why propose change to current plan?
- Process and comparable communities
- Which employees are included?
- Results and financial impact
- Next steps



Current plan concerns

- Last updated in 2013
- Never fully implemented
- Modest annual cost of living adjustments in recent years
- Cost of living adjustments have not been updated in current plan
- Extensive employee turnover in some departments
- Recognized out of market employee compensation



Why amend the compensation plan in 2022?

- Compensation has been a concern for several years
- Funding for hiring a consultant was removed from previous HR budget requests
- Importance of recruitment and retention of quality employees
- Market adjustment implemented for police and fire in 2020
- Ability to implement without increasing the tax rate
- Identified in 2021 long-term financial plan
- Debt service levy shortfall reimbursement from TID 5 and 9 beginning in 2022



Employees included in the study

- 109 full-time exempt and nonexempt employees
- No represented police or fire union employees included
- Staff representing all departments within our organization
- Department heads, supervisors, utility staff, field and city hall staff



Compensation study process

- No contract with outside consultant
- HR gathered available municipal datasets (2019, 2020 and 2021)
- Department heads forwarded data from respective program areas
- Michelle and I drafted recommendations
- Data utilized
 - Municipalities within Washington County
 - Washington County (completed compensation plan in 2019)
 - Comparable sized municipalities
 - SE Wisconsin dataset compiled by consultant



Results and financial impacts

- Confirmed our current plan is out of touch with market
- Some FLSA modifications necessary
- Recommendation:
 - Salary increase for 92% of positions
 - Average salary adjustment of \$4,519
 - Salary general fund impact \$283,553
 - Overall salary impact \$451,940



Implementation notes

- New ranges established and range placements effective January 1, 2022
- Salary adjustments only provided for employees in good standing
- There are currently no employees on a performance improvement plan
- Salary adjustments implemented on January 1, 2022
- Performance reviews required for annual cost of living merit increase



Next steps/implementation

- January 1, 2022 implementation start date
- Department heads would include in their 2022 budget requests
- Review by Finance Committee and action by council at August 2 meeting
- 2022 cost of living adjustment discussion
- Final approval provided with adoption of 2022 budget



Questions/Comments

