

CITY OF SUN PRAIRIE

Nonunion Job Classification and Compensation System Summary

The purpose of a well-designed Classification and Compensation Study is twofold. First, it establishes internal equity (ranking) among employees across Departments in the City. Second, it assures external equity/competitiveness by comparing the compensation of Sun Prairie employees against market data. It helps to ensure that the City can recruit the best and brightest employees, as well as retain those employees, even in a competitive marketplace. By retaining qualified, experienced employees the City avoids the cost of turnover and lost productivity.

Internal Equity

Job Evaluations include the completion of a questionnaire by all employees covered in nonunion group and interviews with at least one (1) employee working in each position. Numerical values are assigned to each position so that like positions within the organization are grouped together in a classification to produce an internal equity hierarchy. Nine (9) factors are used for the evaluation of Sun Prairie's positions:

1. Preparation and Training
2. Experience Required
3. Decision Making and Independent Judgment
4. Responsibility for Policy Development
5. Planning of Work
6. Contact with Others
7. Work of Others (Supervision Exercised)
8. Working Conditions
9. Use of Technology/Specialized Equipment

The Human Resources Department staff will evaluate all newly proposed positions to determine proper placement on the pay plan. In addition, all current positions will be evaluated on a regular basis to ensure positions are properly classified (recommend every 5 years). Department Managers may request a review of a position at any time, based upon significant changes which fall within the factors listed above. All changes should be thoroughly evaluated for their effect on the integrity of the classification relationships established in the Classification and Compensation Plan.

External Equity – Market Competitiveness

To provide external competitiveness for city salaries, the salary grades are originally derived from 2022 survey data from communities with a population between 20,000 and 80,000 with specific comparison criteria (e.g., equalized assessed valuation, property tax levy, basic spending, etc.). In addition, Dane County and the City of Madison are added to the list because they are competitors in the market for talent. The following communities were used in the 2022 Pay Plan Analysis: Brookfield, Dane County, Fitchburg, Greenfield, Janesville, Madison, Menomonee Falls, Mequon, Middleton, Muskego, New Berlin, Oak Creek, Waukesha, Wauwatosa, West Bend.

Salary data is also gathered from the Economic Research Institute’s Salary Assessor Tool for the Madison region for positions that can be compared to the private sector.

Pay Philosophy and Compensation Plan

The city’s current pay plan was created with the assistance from a consultant in 2022 to compensate employees at the 65th percentile of a defined market.

PAY PLAN STRUCTURE

Defined Increment Plan

The City of Sun Prairie’s current nonunion pay plan structure is a Defined Increment Plan. A Defined Increment Plan has defined percentage increments in between each step and employees are advanced through the steps based on an annual satisfactory performance evaluation.

The plan consists of nineteen (19) pay grades; one (1) being lowest and nineteen (19) being highest and is broken down into the following three (3) bands:

Grades 1 – 5:	Administrative and Technical Staff
Grades 6 – 13:	Supervisors and Advanced Technical Staff
Grades 14 – 19:	Senior Manager

All grades have a 35% range spread from minimum to maximum and twelve (12) defined step increments to get from the minimum to the maximum. Initial steps are larger to move new hires to the midpoint of their range within five years. Steps beyond midpoint are in 2% increments. The current plan has the following increases beyond entrance: 4%, 4%, 3%, 3%, 2.4% (mid-point), and 2% increases until the individual reaches the maximum of the range.

Administration of the Compensation Plan

The city's compensation plan provides guidelines for managers in making compensation decisions based upon defensible policies.

- Each of the pay grades identifies a minimum, midpoint, and maximum pay rate. Each grade has steps between the range minimum and maximum. All effort will be made to place individuals "on-step". No employee will be paid below the minimum of their pay grade or above the maximum of their grade, unless special incentive pay is provided for job-related licensure and/or specialized certifications. Such special incentive pay programs which currently exist include: Code Officials, Wastewater Operators, Deputy Clerks, Staff Engineers and Engineering Technicians. Additional incentive programs may developed with approval from the Personnel Committee and Council.
- Employees are normally hired at or near the minimum of their pay grade. An employee may be started above the minimum for exceptional qualifications, when warranted by special market conditions, or in cases of an internal promotions in which the employee's current compensation is higher than the minimum of the new grade.
- Each year, the plan will be reviewed and recommendations made for adjustments to the plan that may be necessary to ensure that the plan remains fair and competitive in the market. When a cost-of-living adjustment is made, it is made to all pay grades in the plan. Employees in the plan whose performance is rated as meeting standards (or better) normally receive the cost-of-living pay increase. It is recommended that this adjustment be made at the beginning of the year; however, timing will depend upon the detail during the budget adoption process.
- An individual progresses through the steps within their grade annually, based upon performance. The use of this type of system allows the manager to recognize individual employee growth and performance. The timing of the "steps" is currently July 1. Individuals hired prior to April 1st are eligible for July 1 "steps". The timing of the "steps" may be adjusted by Administration, as part of the budget process.
- The City Administrator can approve an additional merit bonus for exemplary performance. This payment would be a lump sum payment and not added to their base salary. Such additional adjustments shall be based upon performance and within the approved budget.
- In an effort to limit compression of salaries between supervisors and subordinates, the city has adopted a policy that supervisors shall be paid at least 7.5% more than the midpoint of their highest subordinates' pay grade.

Authority of Administration to Make Adjustments

The City Administrator is authorized to pay employees and adjust staffing levels within the limits of the five-year financial management plan and consistent with the adopted pay plans and bargaining unit contracts.

The annual city budget will include sufficient funds to address individual pay issues as they arise due to market conditions, meritorious work, and exceptional/remarkable performance. These unique pay processes are available upon special request and consideration for the purpose of employee retention. Each pay process below should be rare and mutually exclusive. Implementing one will automatically rule out the others in a 12-month period.

1. Market Adjustments

- a. Department Managers may request market adjustments to pay in writing to the Human Resources Director at any time during the year. This request may be made jointly with division managers and must:
 - Identify the specific pay issue and outline a recommendation with an effective date.
 - Provide background information and supporting data (e.g. market survey info, etc.).
 - Identify how this request falls within the following parameters:
 - If it is a staffing change, is it outlined within the 5-year financial management plan.
 - If it is a pay adjustment, is it within the nonunion pay plan or applicable bargaining unit contract.
 - Discuss how the cost of the increase or staffing change will be covered in the current and future years.
- b. Once the above information is provided to the Human Resources Director, a meeting will occur to identify any additional steps required (e.g. Personnel Committee classification of a new position, etc.).
- c. After meeting with the Department/Division Manager(s), the Human Resources Director will provide the request to the Director of Administrative Services and City Administrator with a recommendation.

2. Lump-sum Merit Payments

Department Managers may request one-time lump sum merit payments at any time during the year based upon the following criteria. Such requests must be in writing to the City Administrator, after being reviewed by Human Resources. If approved, detail will be provided to Human Resources outlining the amount and payroll effective date.

a. Performance

- Through the employee's initiative, developed a new work method or way of doing business, which had a major impact on their department.
- Successful completion of a significant project impacting the department or city as a whole, in a momentous way. The employee's work was outside of their normal role and was pivotal to the success of the unique program or project.
- Uncompensated time or training outside of normal work hours.

b. Change in Duties (where no reclassification or change in salary grade occurred)

- The Employee assumed additional duties or responsibilities beyond what is expected of their position.
- The employee assumed additional duties or responsibilities of a person in a higher classification for an extended period of time (4 months or more).

c. Enhancement of Services

- The employee improved service, increased service or added service for either another department or the public (with little or no increase in costs).

d. Savings or Revenue Generation

- The employee created savings in employee time, materials, energy, equipment or money.
- Or the employee was able to increase the city's revenue for a department.

3. Annual Performance 2-steps

Department Managers may request advancement of an employee two "steps" in the pay plan for significant development where the employee has shown progression beyond prediction. The employee may have been able to expand their role or take a lead role on projects, outside of the normal expectation.

Requests for advancing an employee two "steps" must be made in writing to the Human Resources Director with supporting material 90 days prior to the date in which "steps" are applied. The Human Resources Director will summarize all requests and provide a recommendation to the City Administrator. If approved by the City Administrator, detail will be provided to the Department Manager, outlining the amount and effective date.

Per Ordinance, the Personnel Committee has the authority to:

- Develop and maintain a system for actively gathering input from city employees regarding wages, benefits, and other workplace issues on an annual basis.
- Periodically evaluate the city's wage rates compared to wage rates paid for comparable positions by similar employers, particularly similar employers in Dane County.
- Develop and recommend council action regarding personnel policies.
- Develop and recommend council action regarding changes and modifications to the non-union pay plan and classification of nonunion positions.

The Committee of the Whole/Council shall:

- Consider and vote upon recommended staffing changes brought forth by department managers mid-year, which may increase FTEs (full time equivalents) or exceed the current budget.

Future Maintenance of the Compensation Plan

The city is committed to maintaining competitive salary levels and will conduct a review of the pay plan and pay policies on a regular basis. This review will include a survey of benchmark positions for comparable communities and collection of data from the private sector, if possible.

1. The following factors will be considered when determining comparable communities and the true competition for talent (i.e. the likelihood that our workforce would choose other employers):

- Population
- Total Equalized Value
- Property Tax Levy per Capita
- Basic Spending per Capita
- Shared Revenues
- Per Capita Debt
- Proximity to Sun Prairie (Madison area employers: City of Madison, UW system, State, and County)

The city will continue to use the jurisdictions identified in 2022 as a comparable salary survey group for regular salary comparison purposes, until it is determined that they are no longer valid.

2. Annually, Human Resources will obtain the cost-of-living adjustment each organization in the comparable group is proposing for the following budget year. Such information will be shared with the City Administrator and Finance Director during the budget development process.