CITY OF MARSHFIELD, WISCONSIN
POLICIES AND PROCEDURES

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CHAPTER: Compensation

SUBJECT: Compensation Plan Administration

POLICY NUMBER: 3.800

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Special Notes: This policy/procedure manual does not in any way constitute an employment contract and the City of Marshfield reserves the right to amend this manual at any time subject only to approval by the Common Council.

BACKGROUND:

The City of Marshfield adopted a position classification system for all non-represented positions (Excludes Library personnel. Also excludes Clerical/Technical Group; Street, Custodial and Parks and Recreation Group; Wastewater Group and Ordinance Enforcement Group until section on pay adjustments for employees at or above midpoint in number 3 of this policy) in May, 1991. This system is the Decision Band Method (DBM) of job classification and is defined in City Personnel Policy 3.710.

When the DBM system was first implemented, a salary survey was done to determine the market value of jobs and job groups. The salary plan establishes a range, minimum-midpoint-maximum, dollar value for each job group. The midpoint is defined as the value of the job in the market.

The integrity of the salary plan is maintained by adjusting the ranges according to economic trends. The need for range adjustments will be assessed annually by the Human Resources Manager and City Administrator. When adjustments are necessary,

recommendations will be made through the Finance, Budget and Personnel Committee to the Common Council.

Administration of the Pay Plan:

POLICY:

It is the policy of the City of Marshfield to compensate its nonrepresented employees fairly. This will attract and retain highly motivated, productive people in its employ.

PROCEDURES:

1. New Employees will be placed at a salary within the pay grade established for their specific position classification. Most entry-level employees will be placed at the minimum value of the range.

   A salary above the minimum but below the midpoint may be granted in consideration of skills and experience. Newly appointed employees may be placed above the midpoint value of their respective range only upon the approval of the Finance, Budget, and Personnel Committee.

2. Progression to Midpoint - The 1991 Ernst and Young classification and pay study defined the midpoint value of each range. The midpoint of the respective pay range represents the market value of the job, i.e. the economic value that other employers with whom the city competes for employees place on the same or similar job.

   Incumbents are expected to reach levels of proficiency at different intervals, and would be granted compensation adjustments (as measured by the difference between minimum and midpoint values of the respective pay range), contingent upon receiving a satisfactory performance appraisal in the preceding performance review period, as shown below:

   EXPECTED PROFICIENCY AFTER

Band	12 mos. (% Level of Proficiency)	24 mos.	36 mos.	48 mos.
E	40%	70%	90%	100%
D	40%	70%	90%	100%
C	40%	70%	100%	
B	60%	100%		
A	100%			

   Progression adjustments as described above are, therefore based on two factors: 1) the incumbent's tenure in the position; and 2) satisfactory performance as documented in a written performance appraisal. The process for conducting such appraisal is explained in Personnel Policy 3.805. Any new incumbent who does not

satisfy the minimum standards of the job shall be terminated during the probationary period. These performance deficiencies must be documented in the probationary period performance evaluations.

Pay adjustments for progression to the midpoint value are granted on the employee anniversary date. The adjustment will be calculated as follows:

a. Give % for benchmark reached at the employee's anniversary date.
b. Take balance of time x difference in % toward midpoint. (for example: 7 mos. = 7/12 , difference between 40%-70% = 30%, 7/12 x 30 = 18)
c. Add number from step B to benchmark % (40 + 18 = 58)
d. Calculate % determined in step C by the dollar difference between minimum and midpoint.
e. Add dollar amount determined in step D to minimum of the range for salary amount.

3. Pay adjustments for non-represented employees at or above midpoint - those employees who have attained or surpassed the midpoint value of the range. Also includes Clerical/Technical Group; Street, Custodial and Parks and Recreation Group; Wastewater Group and Ordinance Enforcement Group once an employee reaches the maximum of their range. These groups will receive pay adjustments as follows:

a. When salary ranges are adjusted to maintain economic parity an employee position in range will be maintained;

b. On the basis of satisfactory performance, as documented in a written performance appraisal, based upon cost parameters developed annually by the City Administrator and approved by the Common Council through the Finance, Budget, and Personnel Committee; and

c. Merit: On the basis of an employee exceeding the performance standard, as documented in a written performance appraisal. The purpose of the merit plan is to provide an incentive that is related to performance. It is an extension of both the pay plan and appraisal system. The plan holds out the possibility of increased compensation (.5%) based upon outstanding performance that exceeds the minimum performance standards. To be meaningful, the plan also requires a candid ongoing assessment of individual compensation levels within the respective pay ranges.

Guidelines
The following general guidelines shall apply to the consideration of the merit status of all non-represented employees:

Merit compensation will be considered through an employee's annual performance appraisal. The employee's performance appraisal should provide

as much documentation and detail as possible. General statements are not sufficient. A poorly documented recommendation will not be approved, and greatest weight will be given to those, which rely most on specific evidence. Examples of performance that merit compensation would be considered for includes; cost and time savings measures, completion of education/certification above requirement of the employees job if job related, additional hours of work on a continuous basis or concentrated to get work completed (if not compensated for additional work) and a can do attitude and willingness to take on additional responsibilities. The employee performance appraisal will be processed according to Personnel Policy No. 3.805, Employee Performance Appraisals.

A merit increase cannot exceed the top of the non-represented employee's pay range. If an employee's pay is at or over the top of the pay range, their pay is frozen until the pay range catches up to them.

4. Internal Promotions - An employee promoted to a position in the non-represented pay plan will be brought to the minimum of that range on the date of promotion. At the discretion of management: 1) the employee may be placed at a salary within the pay grade established for their specific position classification per Paragraph 1; 2) or upon documentation of satisfactory performance in the new position, the employee may progress to midpoint of the new range as defined in Paragraph 2; 3) or be placed at midpoint of the new range upon successful completion of the probationary period. This discretion is based on an assessment of the skills and experience required for the position and those possessed by the employee prior to promotion.

5. All employees shall be paid bi-weekly, on Friday, or on the preceding day when a holiday falls on a Friday, unless otherwise required by law. Payroll stubs will be distributed to the employees on payday.