



City of Waukesha HR Policy

F2 Salary Plan and Administration

Purpose

The City of Waukesha created this policy to establish administration of its Salary Plan for managerial, supervisory, professional, technical, and administrative employees. The Salary Plan is intended to provide the City with an equitable and competitive salary structure and fringe benefit package to recruit and retain qualified employees and provide a means to encourage and recognize growth.

Summary

The Salary Plan is composed of a Salary Schedule consisting of **sixteen (16)** salary grades. Each salary grade is assigned a minimum and maximum salary. The minimum and maximum rates in the Salary Plan are determined, in part, by salary survey.

1. **Salary Range Minimum and Maximum.** A salary range is a flexible compensation framework that provides an understanding of earning potential across different pay structures. The City may offer pay anywhere within that range depending on the candidate's experience, skills, and qualifications. As a rule, employees shall not be paid above the maximum or below the minimum of the salary grade range to which a position has been allocated. Only the specific exceptions outlined in this policy are authorized.
2. **Position Allocation.** Each job classification is assigned to one of the salary grades based upon a position analysis, an evaluation of how that job compares to other positions within the City's Job Evaluation Plan, and a comparison with external benchmark positions.
3. **Administration of the Plan.** The following salary policies and procedures are to be used to administer the Plan:
 - a. **Maintenance of the Plan:** The Human Resources Director will, at least every three years, review those factors relevant to the maintenance of sound compensation practices of the City and shall make recommendations to the City Administrator concerning policy and procedure revisions.
 - b. **Salary Plan Adjustment for Market:** From time-to time, but at least every three years, a salary plan adjustment will be considered by the Common Council upon the recommendation of the City Administrator. When such an adjustment is authorized, the minimum and maximum of each salary range will be adjusted accordingly.
4. **Salary for New Hires.** New hires will generally be compensated at the minimum of the range to which the job classification is allocated. Exceptions may be made based on the candidate's experience, relevant training, education and/or certifications.
 - a. Initial employment at a salary above the minimum cannot be authorized without submission of a written request, and certification that such action is justified by exceptional qualifications (directly related to the position) or by lack of qualified applicants available at the starting rate. **Available budget should also be reviewed prior to submittal.** Such written requests will be made by the hiring manager, with approval

from their Department Director to the Human Resources Director for review and consideration of internal equity, and then to the City Administrator who may authorize such an exception.

- b. Conversely, initial employment below the minimum of any salary grade range cannot be authorized without submission of a written request, and certification that such action is justified. Justification includes a showing that all available applicants possess less than the minimum acceptable qualifications for the job classification or that prevailing rates of pay for comparable positions suggest a lower salary than that adopted by the City. In the event a qualified applicant cannot be found after extensive recruiting, a "training-period" salary below the entry segment may be authorized by the City Administrator upon the appropriate Department Director making such a request in writing including a recommended duration.
 - c. The length of the "training period" shall vary according to the trainee's experience and knowledge in relation to the minimum qualifications set forth in the position description but in no case will the "training period" last longer than one (1) year. Upon completion of the "training period", the employee will be advanced to the minimum of the salary range or higher or be terminated.
5. **Salary and Pay.** Salary adjustments and supplemental pay may consist of Merit Based Adjustment Program, Cost-of-Living Adjustments and/or Bonus Payment Program. ~~Both~~ **All** are described and will be administered in accordance with Human Resources Policy D3 Employee Performance.

- a. **Merit Based Adjustment Program.** Merit adjustments will be based on the results of the annual performance review from the preceding evaluation period. Evaluation forms, performance standards, and scoring criteria will be maintained within the City's designated performance management system. Approved merit increases will be applied to the employee's base salary.

Employees whose salaries have reached the maximum of their assigned pay range (i.e., are redlined) will not receive a base salary increase. Instead, they may receive a one-time lump-sum payment equivalent to the merit increase amount for which they would otherwise have been eligible.

The maximum merit increase percentage will be established by the City Administrator, taking into consideration the City's financial condition, budgetary constraints, and compensation objectives.

- b. **COLA (Cost-of-Living Adjustment).** Pay increases designed to keep employees' wages aligned with inflation and rising living costs. These adjustments are not tied to individual performance.

The COLA percentage will be established by the City Administrator, taking into consideration the City's financial condition, budgetary constraints, and compensation objectives.

- c. **Bonus Payment Program.** Employees may be eligible for a bonus based on the results of their annual performance evaluation. In addition, a bonus may be awarded to recognize exceptional performance, significant achievements, or outstanding contributions to a

specific assignment or project. Bonus payments are one-time lump-sum awards and do not increase an employee's base salary. All bonus awards are subject to the approval of the City Administrator and are contingent upon the City's financial condition, available funding, and budgetary constraints.

6. **Transfer or Demotion.** When an employee is transferred or demoted, salary of the employee shall be determined as follows:

- a. ~~Transfer: A transfer is the reassignment of an employee within the same job classification and with the same salary grade and equivalent job duties and responsibilities. An employee who is transferred shall remain at their current salary. However, the transferred employee will receive a formal written six (6) month evaluation of their work performance in the new position by the Department Director. This evaluation is for the sole purpose of establishing the employee's work competency level.~~

In practice, employees will not receive any monetary adjustments when transferring from one position to another if the jobs are in the same salary grade. In the event an employee transfers to a role in the same salary grade with increased responsibilities, the HR Director and the City Administrator will review any requests for increases submitted by management and may allow for a slight salary adjustment if appropriate. This adjustment will also be based on factors including the new job's market value, the employee's performance and experience, and internal equity considerations.

- b. Demotion: Demotion is the assignment of an employee to a different job classification with a lower salary range, and a different job title requiring lesser duties, responsibilities and qualifications.
 - i. An employee who is demoted without work performance fault (e.g. job elimination) shall remain at their current salary. However, the demoted employee will receive a formal written six (6) month evaluation of their work performance in the new position by the Department Director. This evaluation is for the sole purpose of establishing the employee's work performance level.
 - ii. An employee who is demoted because of a requested reassignment to a vacant job classification with a lower salary shall ~~remain at their current salary~~ **be placed at the salary rate they were at prior to the demotion at the midpoint of the salary range or at a salary rate that supports internal equity** whichever is lower.
 - iii. An employee who is demoted for performance or disciplinary reasons shall receive a reduced salary from within the lower salary grade range as recommended by the Human Resources Director and approved by City Administrator. Employee shall receive a formal written six (6) month evaluation of their work performance by the Department Director. This evaluation is for the sole purpose of establishing that the employee is operating at a satisfactory work performance level. **Based on timing, it possible that the employee will not receive a pay increase for an extended period of time.**

7. **Reallocation of a Position:** A reallocation is when an existing position, regardless of the number of incumbents in that position, is reassigned from one salary grade to another and the job title,

duties and responsibilities remain the same. Position reallocation can be accomplished only within a salary plan review, (a structured evaluation of the compensation ranges, pay grades, and individual salaries assigned to full-time positions), which could also include a survey of benchmark positions by the Human Resources Director. Final authorization for all position reallocations is by recommendation of the City Administrator and approval of the Common Council.

- a. An employee whose position is reallocated to a higher salary grade shall remain at their current salary except that the salary cannot be below the minimum of the higher salary grade effective with the date approved by the Common Council.
 - b. An employee whose position is reallocated to a lower salary grade shall remain at their current salary without further adjustment until the performance of the employee warrants a higher salary within that grade.
 - c. An employee who is in a position which is reallocated does not serve an evaluation period.
8. **Reclassification of a Position:** A reclassification is when an existing position, regardless of the number of incumbents in that position, is moved from one salary grade to another, and the job title, duties and responsibilities are changed. Position reclassification can only be accomplished through application of Policy F3.
 - a. An employee whose position is reclassified to a higher salary grade shall remain at their current salary so long as it does not fall below the minimum of the higher salary grade.
 - b. An employee whose position is reclassified to a lower salary grade shall remain at their current salary without further adjustment until the performance of the employee warrants a higher salary within that grade.
 - c. An employee who is in a position that is reclassified is not required to serve an evaluation period.
 - d. Requests to reclassify positions must be submitted in writing by the appropriate Department Director. Justifications must state the specific reasons for requesting the reclassification, the nature and extent of the change in the duties and responsibilities of the position, and the length of time that the new or expanded or deleted duties will take, and the length of time they have been performed. (See policy F3.)
9. **Promotion:** A promotion is the assignment of an employee to a different job classification with a higher salary grade, a different job title, and requiring higher level duties, responsibilities and qualifications. Minimum qualifications used in promotion shall be equivalent to competitive standards, shall be clearly listed in the position description, and shall be applied uniformly to all candidates.
 - a. The City intends to promote employees that are fully qualified and meet competitive standards as listed within the job description. When promoting an employee, areas of consideration will include, but not be limited to, the employee's past work performance, education, level of skills, abilities, and other job-related criteria established for the vacant position.

- b. When promoting an employee to an exempt supervisory position, in addition to the factors listed above, consideration will also be given to professional development, analytical and communication abilities, attainment of additional education and/or appropriate certification, human relations skills, and employee achievements that have earned special recognition.
 - c. Selection shall be made from among the best-qualified candidates. The City does not discriminate in any employment decision based on membership in any class protected by federal, state or local law.
 - d. An employee who is promoted shall be paid within the range of the salary grade to which promoted to achieve a five percent (5%) **to ten percent (10%)** increase over their current base salary **or placement at the minimum of the new pay range—whichever is greater. Exceptions can be made with the approval of the HR Director and City Administrator.** Exact increase percentage will be determined based on employee performance, newly assigned duties, available budget, internal equity and tenure with the City. Employee will not receive more than the maximum of the new salary grade and subject to approval by the Human Resources Director in consultation with the City Administrator.
 - e. **Individuals promoted to a leadership position will also be required to go through the Management Training Program.**
10. **Part-time Positions:** All rates set forth in the Salary Schedule are authorized positions of regular full-time employment only. When employment is on a regular part-time basis, excluding seasonal and temporary employees, rates of pay shall be the same as for regular full-time employment except that such employees will be on an equivalent hourly paid basis and only for the time which the employee actually works.
11. **Fringe Benefits:** Fringe benefits are a real form of compensation in that they provide a package of incentives to our employees (i.e. vacation, holidays, group health, group dental and life insurance premium payments, Wisconsin Retirement System contributions, Social Security, Worker's Compensation, Deferred Compensation, Section 125 Accounts, etc.) As the City strives to maintain a competitive employment structure, it will also endeavor to maintain what it believes to be an equitable package of fringe benefits.

Additional Information

Responsibility for Administration: The City Administrator shall be responsible for administration, application, and recommending revisions to the Salary Plan.

Final authority: The Common Council retains sole authority to authorize revisions to the Salary plan and all Fringe Benefits, as it deems appropriate.

Limitation of available funds: No provision of this policy shall be construed as authorizing any expenditure of funds more than those amounts already appropriated for their respective purposes within the adopted Annual Budget.

Approved by the Council this **X day of XYZ, 2026.**

ATTEST:

City Clerk

Mayor