



MEMORANDUM

To: City of Menasha Personnel Committee

From: Peggy Steeno, Director of Administrative Services

Date: November 12, 2015

RE: 2016 Wage/Salary Increase for Non-Represented Employees (Excluding Police Supervisory and Library Employees)

BACKGROUND

In conjunction with the proposed 2016 Budget, the Mayor has included in the budget and is recommending a 2% pay increase for non-represented employees, excluding police supervisory lieutenants, who are associated with the police union employees and are included under a separate request, and Menasha Public Library employees, whose wages/salaries are set by Library Board.

ANALYSIS

The annual increases for non-represented employees over the past five years are shown below:

Five Year History of Pay Increases for Non-Represented Employees

2015 – 1%
2014 – 1%
2013 – 3% (1.5% in January / 1.5% in July)
2012 – 1%
2011 – 0%

As shown above, the average pay increase over the past five years, for non-represented employees, was 1.2% per year. This is substantially less than the average 2.8%, per year, wage increase our represented police union employees received, and the average 2.50%, per year, wage increase our represented fire union employees received, both during the same time period.

And, in reviewing non-represented employee wage/salary increases for other Wisconsin public sector employers, the average increase in 2014 was 1.78%, and the average increase in 2015 was 1.81%.

Also, for 2016, our represented police union employees are contracted to receive a 1% increase as well as a 1% lump sum bonus, which was a trade-off for the 2.5% health insurance premium sharing that is starting for those employees in 2016. Non-represented employees will also be paying 2.5% of the health insurance premiums in 2016. The 2.5% premium sharing equates to an approximate 1% wage increase for a mid-level employee with a family insurance plan.

FISCAL IMPACT

The fiscal impact of a 2% pay increase, with the benefit roll-ups included, for non-represented employees, is approximately \$158,100 in 2016.

RECOMMENDATION

Staff recommends approval of a 2% increase for non-represented employees, excluding Police Supervisory Lieutenants and Library employees, effective January 3, 2016.