




Winnebago County
Department of Human Resources

The Wave of the Future

TO: Personnel & Finance Committee Members
CC: Mark Harris, County Executive

FROM: Mike Collard, Director of Human Resources 

DATE: December 4, 2018

RE: Requested Change to Compensation Schedule

I am requesting that the Committee submit a resolution increasing the target minimums, control points, and maximums for each pay grade in the Winnebago County Employees Compensation Plan by 1.5 %, effective January 1, 2019.

The 2019 budget was built using the assumption that the pay schedule would be increased by 1.5%. An increase to the schedule is not the same as an across-the-board increase, and the requested resolution will not result directly in 1.5% pay raises. Pay raises will be determined primarily by the merit pay system. Catch-up raises awarded to those whose pay remains below the target minimums will be affected slightly by changing the target minimums.

It is important to adjust the pay schedule periodically, in order to keep the schedule in line with the labor market. However, it is important that merit pay increases remain larger than adjustments to the schedule, so that pay for new employees who started at the minimum can move toward the control point as they gain experience. Average merit pay increases of 2.5% were included in the 2019 budget.

For your reference, the CPI rate that would be applicable to labor contracts for general employees starting January 1, 2019 is 2.25%. The most recent annual CPI-U, as calculated by the federal Department of Labor, showed an overall 2.50% increase for the year ending October 31, 2018. I have also attached part of a recent survey report from Carlson Dettman, who surveyed over 300 Wisconsin public employers, and found the average compensation structure increases to be 1.88% for 2018 and projected 1.97% for 2019.

Consumer Price Index Calculation Chart (updated last on 10-15-18)

The Wisconsin Department of Revenue (DOR) has advised the Wisconsin Employment Relations Commission (WERC) that the CPI-U increase applicable to one-year collective bargaining agreements with a term beginning on the following dates is as noted in the corresponding column in the chart below.

*Revised 11/4/2016.

Beginning date of one-year collective bargaining agreement	Applicable CPI-U as determined by WI Department of Revenue
April 1, 2019	2.42%
March 1, 2019	2.42%
February 1, 2019	2.36%
January 1, 2019	2.25%
December 1, 2018	2.15%
November 1, 2018	2.07%
October 1, 2018	2.05%
September 1, 2018	2.05%
August 1, 2018	2.09%
July 1, 2018	2.13%
June 1, 2018	2.13%
May 1, 2018	2.09%
April 1, 2018	2.05%
March 1, 2018	1.99%
February 1, 2018	1.91%
January 1, 2018	1.84%
December 1, 2017	1.79%
November 1, 2017	1.72%
October 1, 2017	1.63%
September 1, 2017	1.50%
August 1, 2017	1.36%
July 1, 2017	1.26%
June 1, 2017	1.15%
May 1, 2017	1.05%
April 1, 2017	0.93%
March 1, 2017	0.80%
February 1, 2017	0.73%
January 1, 2017	0.67%*
January 1, 2017	0.68%
December 1, 2016	0.60%
November 1, 2016	0.51%
October 1, 2016	0.40%
September 1, 2016	0.33%
August 1, 2016	0.24%
July 1, 2016	0.12%
June 1, 2016	0.12%
May 1, 2016	0.19%
April 1, 2016	0.31%
March 1, 2016	0.45%
February 1, 2016	0.58%
January 1, 2016	0.73%
December 1, 2015	0.89%
November 1, 2015	1.07%
October 1, 2015	1.25%
September 1, 2015	1.39%
August 1, 2015	1.48%
July 1, 2015	1.62%
May 1, 2015	1.68%
April 1, 2015	1.68%
March 1, 2015	1.62%
February 1, 2015	1.58%
January 1, 2015	1.57%
October 1, 2014	1.40%
September 1, 2014	1.39%

UPPER MIDWEST WAGE INCREASES

**SURVEY
REPORT
2018/2019**

**CARLSON
DETTMANN
CONSULTING**

A Cottingham & Butler Company

Part B Wisconsin

Public Sector

Actual Structural Increase in 2018

Employee Group	n	Average
Non-Exempt (Non-Union)	210	1.88
Exempt (Non-Union)	206	1.87
Union – General	29	1.70
Union – Teachers	36	1.94
Union – Police	139	2.02
Union – Fire	46	2.13
Union – Transit	11	1.59
All Groups		1.91

Projected Structural Increase in 2019

Employee Group	n	Average
Non-Exempt (Non-Union)	139	1.97
Exempt (Non-Union)	136	1.96
Union – General	20	1.77
Union – Teachers	24	2.10
Union – Police	96	2.02
Union – Fire	33	1.96
Union – Transit	10	1.87
All Groups		1.97

Private Sector

Actual Structural Increase in 2018

Employee Group	n	Average
Non-Exempt (Non-Union)	162	2.32
Non-Exempt (Union)	35	1.50
Exempt Salaried	163	2.25
Executive / Officer	156	2.02
All Groups		2.15
All Groups – Union Omitted		2.20

Projected Structural Increase in 2019

Employee Group	n	Average
Non-Exempt (Non-Union)	114	2.36
Non-Exempt (Union)	27	1.66
Exempt Salaried	110	2.38
Executive / Officer	106	2.23
All Groups		2.27
All Groups – Union Omitted		2.32

% Change in Total Payroll Budget – Private Sector Only

The overall expected change in an organization's budgeted payroll expressed as a percentage. This includes structural increases, in addition to costs associated with the following: step increases, merit/performance increases, equity adjustments, etc. Because this information is not typically tracked by group, we only ask for the overall change in total payroll budget.

	n	Average
2018 – Actual	177	2.70
2019 – Projected	147	2.82