



**CITY OF WAUWATOSA**  
7725 WEST NORTH AVENUE  
WAUWATOSA, WISCONSIN 53213  
Telephone: (414) 479-8917  
Fax: (414) 479-8989  
Web Site: www.wauwatosa.net

## **EMPLOYEE RELATIONS COMMITTEE MEETING**

Tuesday, February 28, 2012

Back of Council Chambers

**PRESENT:** Alds. Donegan, Ewerdt, Walsh, Organ, Berdan - 5

**ALSO PRESENT:** J. Archambo, City Administrator; B. Aldana, HR Dir/Asst. City Atty.;  
J Ruggini, Finance Director, A. Brown, Asst. to the City Administrator

Ald. Donegan as Chair called the meeting to order at 7:30 p.m.

### **2012 performance-based compensation system**

The committee reviewed a memo from Mr. Brown regarding a performance based pay pilot program for 2012 that gives employees the chance to receive a performance bonus that would not become part of their base-salary.

Mr. Brown explained his concept to the committee. The department/division/workgroup would propose a project for approval that would enhance the City's performance and/or service to the taxpayers. Once approved the project would qualify participating employees for pay enhancements. The following criteria must be met for approval: increased efficiency, resource reductions or enhancement to the City's performance.

A plan has to be developed once a project has been identified. This would be submitted to an internal panel. The panel will evaluate whether or not the criteria has been met. At the end of the project, the department would rate the project base on the objective and demonstrable measures identified during the review by the internal panel. The department would report back to the internal panel. The panel would review how each project went. Upon recommendation the project would get sent to the City Administrator for final approval of the one-time pay enhancement. This involves approximately an eight-week process.

Mr. Brown said there is approximately \$58,000 available. Spread amongst the 200 applicable employees would equal about \$290 performance bonus.

Mr. Brown said he had done research on incentive programs and there are not a lot of models available. He was looking at more of a project based idea instead of individually as it would too closely align with performance appraisals.

Ald. Walsh felt that Mr. Ruggini would have to be consulted to look at the return on investment. He felt there should be a financing model for the committee to look at. If for example a software package costing \$40,000 would save an FTE over three years that would be a payback.

Ms. Aldana replied to a question that the City has a performance based evaluation which has been on the books for about two years. There is not money attached to the evaluation. Possibly it could be a longer range goal. She said adding a layer of the monetary attachment would be a big learning curve. Ald.

Donegan felt there is a need for expediency. He thought the proposed concept is cumbersome and would be hard for employees to understand how the bureaucratic process would work. He suggested don't be preoccupied with fairness by spreading the money around, rather be occupied with result and impact. The employee needs to step up and do something exceptional. Reward exceptional service.

The committee discussed further and one committee member said they have seen this model work and has seen it fail. Another felt it was very cumbersome for the monetary expectation.

Mr. Archambo the projects would need supervisor's approval or input. The City needs to get employee buy-in.

The meeting adjourned at 8:02 p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

mks