



PRESS RELEASE

City of Wausau Pay-for-Performance Transition Completed

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Wausau, WI – Government at all levels is having an increasingly difficult time attracting and retaining workers. While a typical government worker traditionally entered public service for good pay and benefits, job security or strong belief in the mission, times have changed.

City employees now contribute nearly 20% of their salaries to health insurance and retirement benefits, on top of nearly 32% going to social security, state and federal taxes. With approximately half of their paychecks already gone, Wisconsin reforms eroded the perceived job security as we transitioned to “at will” employment for general government workers. The complexity of the regulatory framework coupled with declining resources has made it increasingly difficult for staff to be mission driven. On top of that, City workers are becoming retirement eligible in large numbers. Over the past 10 year, over 2700 years of experience has left our workforce. This institutional knowledge is a challenge as new employees enter our workforce.

It is critical to the City of Wausau’s future that we maintain a competitive edge for retaining current staff and for recruiting future staff. City workers clear and maintain our streets, house our elderly and disadvantaged citizens, administer programs to attract businesses and foster economic growth, and keep our citizens safe -- to name just a few key services.

In an effort to create a destination workplace, in 2013 City management embarked on an effort to tie pay more directly to work performed. In July 2014, the City transitioned to a pay-for-performance system, very similar to Marathon County’s new pay system currently being studied and scheduled for implementation in 2016.

In our transition from a seniority based system to a merit system, we had some maintenance work to do. Within the parameters of the budget I submitted that was adopted by the City Council, we adjusted 12 employee’s salaries to bring their pay current with the market with pay increases averaging 3.97%. For the remaining non-represented staff performing work at acceptable levels, we increased their pay by 2% to recognize their performance, account for inflation and the cost of living. 36 of our staff received an additional .5% pay increase directly tied to their performance while 52 received an additional 1%. The remaining 42 who demonstrated exceptional performance received on average an additional 1.75% in recognition of their superb work.

With this transition now implemented, 2015 brings the promise that any individual pay increase will be driven by goal achievement. While salary range for occupational groups will periodically be matured to keep up with inflation and living costs, City workers can be assured that their hard work will drive the bottom line on their paychecks.