

**Item 23-1162: Elected City of Appleton Attorney Compensation for May 2024 term**

**Item 23-1163: City of Appleton Mayor Compensation for April 2024 Term**

Human Resources & Information Technology Committee

Wed, Oct 11, 2023 4:30PM

**Aldersperson Sheri Hartzheim (District 13) 01:59**

Item number 23-1162 elected city of Appleton attorney compensation for May 2024 term.

**Aldersperson Denise Fenton (District 6) 02:09**

Move to approve

**Aldersperson Sheri Hartzheim (District 13) 02:10**

Motion and a second. Director Ratchman?

**Director Jay Ratchman (HR) 02:13**

Sure. I'll just pull a few highlights out of my memo, and then any questions that you have, I'll be happy to go through those as well. And I don't mean to be real basic, but I know we have a newer committee as well. So, this is for our elected city attorney position. The current term runs through April of 2024. So, what the action item is tonight is determining compensation beginning on May 1, 2024 and for the next four years.

**Director Jay Ratchman (HR) 02:43**

What I tried to do is provide you with a data, to show you some comparable data, but also just some of my thoughts as I thought about the position and how it functions in the organization. But just to make it really clear, this is this is the committee's decision and ultimately the council's decision on what to set this compensation at.

**Director Jay Ratchman (HR) 03:03**

I had said to Aldersperson Hartzheim earlier, "I wish I could rewrite this memo," because I've read it about 100 times, and now as I read one of my bullet points, it might have created a little bit of confusion. So, what happens when you're setting the salary, you're setting it four years in advance, which is difficult because you don't know what the market is going to do. So, you generally try to be a little bit more conservative of—do we think a 2% might be a good average to do for four years, etc. So really, that—the bullet point that I would rewrite, it's really looking at—in 2020 the position compensation was reset based on the prior four years, and then it's really a 2% increase for the next three years after that. So that's the bullet point that I'm sure I created a little bit confusion when I wrote it.

**Director Jay Ratchman (HR) 03:54**

Just to give you a comparison, when I look back at why am I making this recommendation, the city attorney position, from a day-to-day standpoint, functions as a department director. It's a department head. It has a deputy director structure just like other department heads do. Our city attorney has a deputy director of the attorneys as well as a deputy director clerk over administration of the clerk's office, which is somewhat of a unique structure. You might see it in maybe smaller municipalities, but certainly for a municipality of our size that's not a common structure.

**Director Jay Ratchman (HR) 04:34**

The other thing is what I looked at is I looked at this position serves on the leadership team. So, each Monday we have a leadership team meeting. When we are tackling tough budget items the attorney sits in on those

meetings and as part of that team as well. So, then what I tried to do was look at if we needed to push reset, because 2% increases were set—what would be an appropriate amount? Again, this is just my In my viewpoint and recommendations; it's up to this committee to decide.

**Director Jay Ratchman (HR) 05:04**

So, I looked at—if you look back at 2020, you know, and bear with me. I have a sheet that I want to take out here. Actually, if you look at 2021—so this is a second year now, of the term for this position—the attorney received a 2% increase in compensation. So, then I went back and I looked at our non-represented employees, which includes our department heads, our directors. The directors received a one and a half percent increase. So, at that point, you can see the attorney is trending higher for that first year. In 2022 the attorney received a 2% increase, and the directors received a two and a half percent merit increase. So up to that point were—we have parity. What happened in 2023 is the city attorney received a 2% increase and the non reps received a 5% increase. So that's where we lost that parity between what I would consider to be director level positions.

**Director Jay Ratchman (HR) 06:08**

So, moving into the next term, May of 2024, what I was recommending, or suggesting is to make that 3% differential up for the increase and that the non reps received in 2023. And then we also know from the budget that's been submitted, there's a proposal to increase compensation for non-represented employees by 3%. So just to give you a context of like, how did I come up with those numbers.

**Director Jay Ratchman (HR) 06:38**

Then as we get into '25, '26, '27, I don't know what to recommend, because the market could go up and down, we might be really competitive, we could slide into a recession. So, my recommendation would be to use, again, conservative numbers.

**Director Jay Ratchman (HR) 06:55**

I also looked at the compensation plan, making sure that these increases didn't create other compression issues or put this position what I would say is outside the compensation plan. Now if the compensation plan that we have citywide stayed static, that that's a real possibility. But we know to be competitive, that that plan needs to be refreshed each year. Like for example, this year, we're recommending a 1.5 increase percent increase to the plan. So not the same percentage as wage increases, but certainly to try to keep that plan moving up.

**Director Jay Ratchman (HR) 07:30**

So that's a little bit about the logic of why I'm putting that out there. I also provided sheet number two or the second, which shows you what are attorneys making with other municipalities. Something to keep in mind is not all city attorney positions are elected. Some are appointed, which means you go through a hiring process, you look at the level of experience that that individual brings to the table, you negotiate a salary with the individual, and then just like other non reps, you set that salary annually. So that's just a little bit of what I put together for as a summary.

**Aldersperson Sheri Hartzheim (District 13) 08:07**

As a point of clarification, Director Ratchman, the 3% lift that you're noting in this chart, is really not going to be paid to the attorney at that dollar amount. We are waiting until, and have to wait until, May 1 of 2024 to pay the 147 if that's what we agree upon.

**Director Jay Ratchman (HR) 08:29**

That's absolutely correct. Once you set the compensation for the term of that elected position, you cannot change that compensation.

**Aldersperson Sheri Hartzheim (District 13) 08:40**

Aldersperson Croatt.

**Aldersperson Chris Croatt (District 14) 08:41**

Thank you, chair. I think I understand that, but is it not in reality, a 6% increase in one day?

**Director Jay Ratchman (HR) 08:49**

It is it is a 6%. It's a reset based on—yes, but you are correct. It would be a 6% increase.

**Aldersperson Chris Croatt (District 14) 08:57**

So, if I heard you correctly, it's partially a catch up. And it's partially what's in the budget for non-representative employees.

**Director Jay Ratchman (HR) 09:05**

That is it. That's correct.

**Aldersperson Chris Croatt (District 14) 09:08**

Okay, thanks for clarifying that, because I had some questions on that. And then when we look at the comparables, I know these are always tough because it's hard to compare this type of role with some of them being elected, some of them being appointed, some of them being hired employees. But it appears from looking at this and doing a quick review of it, that we are on the higher end. And the number of direct reports is on the lower end. That doesn't necessarily translate into responsibility which I think we have a pretty good feel for the responsibility of a city attorney in the City of Appleton. But from what I've gathered is we are on the higher end of the compensation. Especially if we go to the 147, we're going to be near the top or at the top and a lot of cases. Just looking at Green Bay for example. Yes, a different arrangement, more report, appointed by the mayor, but significantly lower.

**Director Jay Ratchman (HR) 10:04**

If I could comment, please on the data. So, this is a Google Doc that other municipalities in in partnership with us are filling in their data. And we try to remind them to keep their data refreshed or to actually even put anything in there. So, the direct reports—I'm not confident that everyone is putting that in correctly because if I were to do the direct reports I would be taking—if using the same logic that some are, I would take the 10 staff plus the two direct reports. So, 12 people total, that that position ultimately oversees.

**Aldersperson Chris Croatt (District 14) 10:40**

Yeah, understood. That's why I think—I like this data, and I'm glad we have it. But you also have to understand that there's not direct comparisons in a lot of cases. Okay, that's all I had.

**Aldersperson Sheri Hartzheim (District 13) 10:54**

Anyone else on the committee? Aldersperson Fenton.

**Aldersperson Denise Fenton (District 6) 10:57**

So, I'm probably the only person on the committee now who was on the committee in 2019, when we did this operation before, and we were sitting at—you know, we were borrowing at less than 1%. Inflation was almost nothing. The—and so at that point, we thought 2% was pretty good number. And clearly, things have changed.

**Aldersperson Denise Fenton (District 6) 11:26**

And I think—I appreciate the work you've done. And I think with the responsibilities that the city attorney has—I will say that the mayor and the attorney are better off than Council is because they don't have to vote on their own salaries. But I'm comfortable with this arrangement, because we also have to remember, especially for some of these positions—there are certain positions—you know, a lot of positions the private sector pays more than the public sector. But in for city attorney and anybody who's an attorney working in a municipal position, I mean, I think it's pretty clear that private practice, they would make a lot more money. So, I think this looks fair, and I would be in favor of it.

**Aldersperson Sheri Hartzheim (District 13) 12:20**

I think it's important to note, piggybacking on what aldersperson Fenton said, we have to think about attrition in this particular position. We can't think about this position as what are we going to pay Attorney Behrens, but what is this position going to be paid? And there may well be someone else who would want to take that position, and we have to make it palatable to them, or we have to fill it with someone we don't know what their qualifications would be. So, I think it's important to make sure that we have some decent compensation numbers on the table. Aldersperson Croatt.

**Aldersperson Chris Croatt (District 14) 12:59**

Thanks. And along those lines, I'm glad you clarified that it's not at all about the person that's currently in the role, because that could change being an elected offic—position. But that also means that we—I know there's some requirements, but we could get someone a lot less qualified than what we have today. So, we have to keep that in mind, and I think that's an important part of looking at the salary too.

**Aldersperson Chris Croatt (District 14) 13:26**

Just in case anyone's watching the video, I just wanted to clarify that alderspersons do not vote on their own salary. I know what you're saying. I totally understand what you're saying. But we do not vote on our own salary. We vote on future aldersperson salaries, which may or may not be us.

**Aldersperson Denise Fenton (District 6) 13:39**

That is true. Just—

**Aldersperson Chris Croatt (District 14) 13:41**

I know what you're—I know exactly what you were saying. But.

**Aldersperson Denise Fenton (District 6) 13:43**

It is awkward.

**Aldersperson Chris Croatt (District 14) 13:44**

Yep, it is. I agree. And I just—I will say I had some reservations about this, but after listening to you explain it, and after reviewing the data, I'm comfortable with supporting it.

**Aldersperson Sheri Hartzheim (District 13) 13:58**

Any other questions or discussion from committee? There being none, we have a motion and a second to approve. As is noted by Director Ratchman. All those in favor please signify by saying aye. Aye. Opposed? Abstentions? All right, that motion passes five to zero.

**Aldersperson Sheri Hartzheim (District 13) 14:21**

Moving on then to item number 23-1163 City of Appleton Mayor compensation for the April 2024 term.

**Aldersperson Chris Croatt (District 14) 14:30**

Move to approve.

**Aldersperson Denise Fenton (District 6) 14:31**

Second.

**Aldersperson Sheri Hartzheim (District 13) 14:31**

We have a motion and a second. Discussion. We'll start with Director Ratchman.

**Director Jay Ratchman (HR) 14:35**

Just like I did with the attorney position, I tried to provide some insight or data that I've collected, a little bit of context as to why I would make a recommendation. It's different however then the discussion with the attorney position. All the directors report to the mayor, plus the mayor has three direct reports from his office.

**Director Jay Ratchman (HR) 15:00**

I also want to make it clear again that what I'm doing is providing data. But ultimately, it's this committee and the Council that makes the decision as to how to set the compensation for this position. Where I struggled with this is if you look at the comparable data that we've collected, you will see there's a variety of models out there. There are municipalities that have part time mayors; there's municipalities, like city of Appleton that have full time mayors; there's municipalities that have part time mayors and city managers or city administrators. And you can see the compensation is all over the board. Some of those city administrators and city managers make a lot of money.

**Director Jay Ratchman (HR) 15:42**

I also know from how this organization functions, and not just with the existing mayor. But what's put on that position is it does function, much like a city manager or city administrators in that directors report to that position, as well as being the mayor.

**Director Jay Ratchman (HR) 15:59**

The position of mayor received a one and a half percent increase for each of the four years. But I also in going back and reviewing this memo, I want to clarify it if I could change that bullet point, it would be at the last time that we went after compensation, there was a reset. And then really, it was a one and a half percent increase for the next three years. So, it's really a four and a half percent increase.

**Director Jay Ratchman (HR) 16:23**

Where I struggled was do you keep parity with the director team or do you look at trying to keep parity with the city attorney position for any sort of lift and future increases? And that's what I put in my memo was to do the same sort of lift that would be for the city attorney position. So, but ultimately, obviously, it's to this committee to decide as to how you want to set that compensation.

**Aldersperson Sheri Hartzheim (District 13) 16:53**

Discussion? Aldersperson Hayden,

**Aldersperson Patrick Hayden (District 7) 16:57**

Thank you. Um, this table that you have here? Is this also another Google Doc that's self-reported information on from these municipalities?

**Director Jay Ratchman (HR) 17:05**

Yes, it is.

**Aldersperson Patrick Hayden (District 7) 17:05**

Okay. Yeah, I've kind of found it interesting. Now, some of them have benefits, while Appleton doesn't so that's a very interesting thing to kind of take into account when we're voting on this.

**Director Jay Ratchman (HR) 17:16**

So, can I just comment, please? Yeah, so the what the mayor receives is the insurance products, but in regards to like time off, there are no sort of benefits tied to that.

**Aldersperson Sheri Hartzheim (District 13) 17:26**

But we don't require him to be in an office at any point in time either. We just require him to do his job.

**Aldersperson Denise Fenton (District 6) 17:33**

Or her.

**Aldersperson Sheri Hartzheim (District 13) 17:37**

Aldersperson Croatt?

**Aldersperson Chris Croatt (District 14) 17:38**

Thank you, Chair. I think Aldersperson Hayden brings up a good point, because some of these other mayors have mileage allowances, car, even vehicle allowances that can add up to a pretty significant benefit at the end of the year. And our mayor doesn't have that. But they're also going to have a higher salary to kind of—I think, which puts it more in balance with others that are have lower salary, but mileage or car allowance.

**Aldersperson Sheri Hartzheim (District 13) 18:02**

Our mayor does have the ability to access a city vehicle at any time, though, correct?

**Director Jay Ratchman (HR) 18:08**

That is correct.

**Aldersperson Sheri Hartzheim (District 13) 18:09**

Thank you. Anyone else? I like how Denise is trying to read.

**Aldersperson Denise Fenton (District 6) 18:16**

Well, because it won't—well, you know.

**Aldersperson Sheri Hartzheim (District 13) 18:19**

One more thing.

**Aldersperson Sheri Hartzheim (District 13) 18:20**

Aldersperson Croatt.

**Aldersperson Chris Croatt (District 14) 18:21**

Just one more thing, because I see listed on here for some other municipalities a cell phone allowance. Does the city of Appleton not provide the mayor with a company or city issued cell phone?

**Director Jay Ratchman (HR) 18:31**

Yes, and we can add that to the list. You are correct. We do offer a cell phone.

**Alderson Chris Croatt (District 14) 18:35**

Okay. I think it should be.

**Alderson Sheri Hartzheim (District 13) 18:45**

I know this looks like a lot, but I think considering the fact that we were at one and a half percent in the previous four-year term and that did not keep pace with the rest of the directors in this city structure, I think this seems fair. The only thing that I would perhaps amend would be the two percents in the three subsequent years to be one and a half if we wanted to stick with what has been done before. But I think I'm satisfied at 2%.

**Alderson Sheri Hartzheim (District 13) 19:18**

I, my—it's important to me to serve my constituency by saying we should pare back any kind of excess costs in the city, but in this particular situation, I believe that this director position warrants good pay, and so I think that this is a fair structure that's been presented by Director Ratchman. Alderson Hayden,

**Alderson Patrick Hayden (District 7) 19:42**

I agree with what you just said. And I just wanted to add on that it doesn't just warrant it, it kind of needs it. Because we need high skilled people to be the city attorney and high skilled people to be the mayor. And without adequate pay, these people would easily go to the private sector where they could easily make double this.

**Alderson Sheri Hartzheim (District 13) 20:03**

Now, of course, that does not say that we could not as a city elect someone who is not qualified to receive this sort of pay, but that is our election system. That's really a thing that we have to deal with. Anyone else? There'll be no further discussion, all those in favor, please signify by saying aye. Aye. Anyone opposed? Any abstentions. We'll move on, then—oh, that item passes five to zero.