



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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### TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 18, 2010

#### COMMITTEE ON PENSION, HUMAN RESOURCES AND CIVIL SERVICE

Mr. Richard Lanyon, Executive Director

Requesting Approval to Change Personnel Rule 5.048

Dear Sir:

Following discussion at the August 12, 2010 and October 14, 2010 study sessions, the November 4, 2010 Committee on Budget and Employment hearings and suggestions received from employees, it is recommended that Personnel Rule 5.048 Transitional Rules for Employees in the Employ of the District on December 31, 1999 be amended. Potential savings are \$95,000 in 2011, \$109,000 in 2012, \$48,000 in 2013, \$36,000 in 2014, \$31,000 in 2015 and approximately \$200,000 each year thereafter for as long as incumbent employees remain in the workforce. The recommended changes are:

“5.048 Transitional Rules for District Employees in the Employ of the District on December 31, 1999. [Amendment No. 360, 11/16/99] Employees in the employ of the District on December 31, 1999, who are compensated under Schedule GS or PM shall transition to Schedule TAM according to the following provisions:

(a) Employees will be placed in the same step under Schedule TAM they held under Schedule GS or Schedule PM. If such placement would result in a reduction in salary, such employees shall continue to be compensated under Schedule GS or PM, provided, however, that beginning in January 2011 they will receive a reduction in pay each pay period until such time as appropriate placement in Schedule TAM equals or exceeds the reduced pay. Upon promotion or reclassification, such employees shall be placed in Schedule TAM.

(b) Those employees who retain their grade and step under Schedule GS or PM pursuant to rule 5.048 a), whose salary potential would improve under the corresponding salary grade under Schedule TAM, shall be placed in that step of Schedule TAM which would be appropriate based on length of service to the District.

(c) Employees in classifications appropriately allocated to the Cooperative Student and Trainee Schedule will receive a salary corresponding to this schedule.”

Rule 5.048 was originally created to protect over 400 employees from reductions in salary that would have resulted from the 1999 implementation of the new pay plan. It was expected that employee turnover and advancements would eliminate the situations in which employee pay would be reduced. However, 10 years later, 80 employees continue to receive wages that are above the market rate for their job titles. There is no justifiable reason to continue this practice indefinitely. Generally, these employees occupy positions that are designated in the budget as #4.

Two employees' salaries will be transitioned to Schedule TAM immediately. It is recommended that the remainder of these employee salaries be transitioned Schedule TAM beginning with the first pay period in 2011, with completion of the transition by December 31, 2015. The five-year transition will lessen the impact of

the pay reductions on the individual employees.

Attached is an illustration of the method that will be used to transition employees to Schedule TAM.

The Statute requires the Director of Human Resources to establish rules, titles and pay grades for all positions in the classified service, subject to the disapproval of the Civil Service Board. Upon approval by the Board of Commissioners, written notice of the proposed Rule 5 changes will be submitted to the Civil Service Board in accordance with the Statute.

Requested, Denice E. Korcal, Director of Human Resources

Respectfully Submitted, Gloria Alitto Majewski, Chairman Committee on Pension, Human Resources and Civil Service

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for November 18, 2010

Attachment