



**TO:** Madison Common Council, Mayor Soglin

**FROM:** Madison Professional & Supervisory Employee Association (MPSEA)

**RE:** Elimination of Residency Penalty

The Madison Professional & Supervisory Employee Association (MPSEA) represents 373 professional, supervisory and managerial staff in Compensation Groups 18 & 44. On behalf of these employees, the MPSEA Board of Directors would like to comment on the HR report titled *Residency Options and Incentives for City of Madison Employees*. In addition, we will provide employee feedback from our MPSEA members gained through a survey done in December.

In the HR report, *Table 1 – Residency Restrictions as of January 1, 2013*, employees are grouped by categories with regard to rules affecting their residency. The table needs clarification. Within the first category listed, professional/supervisory/managerial, it indicates that those 373 employees are subject to a 1% longevity reduction if an employee does not live in the City. However, there are employees in the group who are not subject to the 1% longevity reduction based on where they work (e.g. Monona Terrace staff), some based on waivers granted by previous Mayors, and some who had already reached the final step of longevity when the policy was implemented.

The HR report refers to the 1% longevity reduction as “... the longevity incentive that the City has in place to encourage professional, supervisory and managerial employees to reside in the City.” A reduction in pay is not an incentive (something given) but a penalty (something taken away, a fine imposed). MPSEA believes that the 1% longevity reduction penalty should be eliminated as a result of the new ***State Statutes Section 1270.66.0502 Employee residency requirements prohibited.***

In a recent MPSEA survey, the overwhelming majority of respondents (74%) believe the 1% longevity penalty should be eliminated. A less significant number (59%) of survey respondents believe the City should offer any incentives for living in the city of Madison. The responder’s answers did not correlate with whether or not the respondent currently lives in the city of Madison. The survey had an impressive

83.6% response rate. Further results of the survey can be found in the attached summary. Comments provided by survey responders are available upon request.

The MPSEA Board believes that creating policies which further divide the City's workforce by where they live does not further the stated goals of the new Employee Engagement initiative nor the Race to Equity initiative. Treating people differently or special for living in the city further creates divisions among the workforce. There are better ways to reward employees than one that has no tie to work performance, work load, skills used, etc.

As you consider the idea of providing incentives for City employees to live within the city of Madison, please consider eliminating the penalty for the very small number of employees who are still being penalized for not living in the city despite the recent change in State law.