

CITY OF WEST RICHLAND
RESOLUTION NO. 65-22

**A RESOLUTION OF THE CITY OF WEST RICHLAND, WASHINGTON,
AMENDING THE CITY PERSONNEL POLICIES 'TOTAL COMPENSATION
PRINCIPLE'.**

WHEREAS, changes in compensation or benefit levels in the City's Personnel Policies may only be modified by a City Council passed resolution; and

WHEREAS, City Council wishes to amend the City's Total Compensation Principle

NOW, THEREFORE, The City Council of the City of West Richland, Washington, does hereby resolve as follows:

Resolution has been approved to amend the changes to the West Richland Personnel Policies Total Compensation Principle effective January 1, 2023.

**PASSED BY THE CITY COUNCIL OF THE CITY OF WEST RICHLAND,
WASHINGTON**, this 6th day of December 2022.



Brent Gerry, Mayor

ATTEST:



Stephanie Haug, City Clerk

APPROVED AS TO FORM:



Bronson Brown, City Attorney



Total Compensation Principle

The City of West Richland strives to provide a fiscally responsible total compensation program to retain and recruit highly qualified employees.

Introduction

The Total Compensation Principle serves to document and govern the salary or pay compensation for staff who are not represented by the Association. The Total Compensation Principle shall be amended from time to time, typically when budgets are approved or Association agreements are reviewed by staff and City Council. It is understood that the Mayor/City Administrator maintains broad discretion in administering the Total Compensation Principle.

Cost of Living Adjustment

A Cost of Living Adjustment (COLA) is based on the percentage increase of the Consumer Price Index (CPI) from the month of August in the prior year from which the increase will take effect. COLA is capped at 5%, will be applied to the employee's base wage and will be effective January 1st to coincide with the wage increase from the Pay for Performance program. If CPI is zero or negative, staff will not receive a cost of living pay increase that year.

The City implements a Flat COLA, which is based on the average wage of a City worker rounded to the nearest \$5,000 increment and then multiplied by the COLA percentage. That flat rate is added the annual base salary of every full-time non-bargaining employee. Part-time non-bargaining employees will receive a pro-rated flat COLA.

$\$75,000 \times 5\% = \$3,750$ annual COLA increase

$\$3,750 / 2080 = \1.80 hr increase for all full-time non-bargaining employees, pro-rated for part-time employees



Performance Pay Plan

Covered Job Position Classifications

The job positions covered by this plan are listed in the approved Salary Schedule. The approved Salary Schedule includes the division, or department within the City. Classification indicates Senior Staff, Supervisors, Specialists and Support employees. Senior Staff include Directors and Administrators who work with the Mayor to decide City policy which affects all departments. Supervisors manage one or more staff members. Specialists are highly educated and/or skilled in their field. Support personnel perform a wide range of duties in support of the basic operations of the department and City as a whole.

The Mayor/City Administrator may add to or delete from this list of titles, FLSA status, or wage range, as the needs of the service dictate, provided that such changes are within the City-wide budget authorization. Such amendments shall be ratified by the City Council as a part of the biennial budget process, or when this plan is amended from time to time. In an effort to retain and recruit highly qualified employees per the Total Compensation Principle, the Mayor/City Administrator may make pay modifications within the Pay Range on a case by case basis so long as these adjustments are within the adopted budget.

Performance Management Process

Assessment System Evaluation Process

The evaluation system bases employee compensation on job performance.

Performance Pay Program

The performance management model defines the performance expectations of employees at four levels within the organization:

1) City Values; 2) Core Competencies; 3) Supervisory Skills; 4) Director Level Management.

1. **Goal Setting** : Each employee should have 2-4 annual goals based upon departmental and City needs.
 - a. **Best Practices**: The supervisor and employee should work together to determine annual goals. Goals should be clear, concise and achievable.
2. **Mid-Year Review**: Supervisors grade employee's in each category with a score of 1-5 based on employee performance during the year. The 'notes' section is designed for supervisors to write additional feedback; this section is optional. Supervisors should explain shortfalls and deficiencies under 'overall assessment' for the mid-year.
 - a. **Best Practices**: Employees should provide supervisors with a list of their accomplishment. Employees should discuss any concerns they may have about their

position or their ability to meet goals.

3. **Year-End Evaluation:** Supervisors give employees a final score (1-5) in each category based upon the employee's overall annual performance. The overall assessment for year-end should include achievements, shortcomings, and ways to improve. Supervisors turn evaluations into human resources prior to reviewing the evaluation with the employee. The Mayor will review and approve all evaluations before the evaluation is presented to the employee.
 - a. **Best Practices:** Employees should provide supervisors with a list of their accomplishments for the year.

Final Evaluation Appeal Process: If an employee disagrees with their final evaluation they are strongly encouraged to discuss the disagreement with their supervisor in the event an amicable decision can be reached. If the supervisor and employee can agree upon a change the supervisor must present the change to the Mayor/City Administrator for final approval.

If the employee chooses not to bring this complaint to their supervisor, or if the employee and supervisor cannot reach an agreement, the employee may appeal the decision directly to the Mayor/City Administrator. The employee must submit an email to the Mayor and Human Resources outlining their request to appeal their evaluation. The employee should clearly outline the disputed information and providing any evidence to support their position. An employee has 30 days from the day they signed their final evaluation to submit an appeal.

All feedback should be accurate and objective and should not reflect personal bias.

Evaluation Performance Ratings

The evaluation ratings are defined as follows:

1. **Not Meeting Expectations:** Performance expectations are not met and needs significant improvement. *Deficiencies have been discussed and/or noted in a performance correction notice.*
2. **Needs Improvement:** Meets some but not all position requirements. *Continued Development and/or Mentoring Needed*
3. **Meets Expectations:** Capable performance which typically meets all the expectations of the position and sometimes exceeds requirements. *Capable Employee*
4. **Highly Effective:** Performance frequently exceeds position requirements. *Proficient Employee*
5. **Exceeds Expectations:** Superior performance that consistently delivers exceptional results. *Exceptional Employee*

Performance Based Salary Adjustments

Performance-based salary adjustments shall typically be effective the first payroll period of the calendar year, subject to available funds. A Pay for Performance Matrix will be prepared to provide for salary adjustment options based on employee performance. The Mayor/City Administrator has the authority to amend the salary adjustment matrix annually to ensure budget compliance.

Pay Schedule Structure

This pay structure entails a Pay Range, each with a designated Minimum and Maximum as defined below:

Definitions

Pay Range - A common pay range which includes a Minimum, Midpoint, and Maximum which is assigned by classifications. Each range has an infinite number of points between the Minimum, Midpoint, and Maximum.

Pay Range Minimum - The lowest base pay rate payable to an employee.

Pay Range Midpoint - The area of the range that most typically represents the prevailing market external competitive pay level for a job. The Midpoint is tied to the external job market for like classifications.

Pay Range Maximum - The highest level of base pay an employee can receive in a given job. Employees shall not exceed the Pay Range Maximum.

Base Pay - The point within the Pay Range assigned to an employee. All movement within the range is calculated on Base Pay.

Placement in Range upon Hire

Employee initial placement within the hiring range is based upon qualifications, knowledge, experience, education, and skills.

Progression through the Range

Employees are able to progress through the range based on performance as documented via annual performance reviews. Once earned, all regular increases, up to the maximum, shall be considered base pay.

Position Change

When an employee is transferred, promoted, demoted, reinstated, rehired or reclassified, the rate of pay for the new position will be recommended by the supervisor and approved by the Mayor/City Administrator.

Pay Range Adjustments

Pay range adjustments will be made periodically, typically every eighteen (18) to twenty-four (24) months. In considering range adjustments external competitive factors evaluated will include adjustments based on the market rates of pay for similar employment within the competitive market area, rates of pay in other jurisdictions, cost of living increases, and the availability of employees in particular occupational categories. Internal classification equity will also be considered such as, relative responsibility of positions in the class, the financial policies of the City of West Richland, and other economic considerations.

PERFORMANCE PAY PROGRAM FOR WEST RICHLAND STAFF

Pay for Performance Matrix Example

Rating	Evaluation Score	Description	Performance Increase
5	100	Exceeds Expectations: Superior performance that consistently delivers exceptional results. <i>Exceptional Employee</i>	4%
4	80 - 99	Highly Effective: Performance frequently exceeds position requirements. <i>Proficient Employee</i>	4%
3	60 - 79	Meets Requirements: Capable performance, which meets the expectations of the position. <i>Capable Employee</i>	3% - 3.9%
2	40 - 59	Needs Improvement: Meets some but not all position requirements. <i>Continued Development and/or Mentoring Needed</i>	2% - 2.9%
1	0 - 39	Not Meeting Expectations: Performance expectations are not met and needs significant improvement. <i>Deficiencies have been discussed and/or noted in a performance correction notice.</i>	0% - 1.9%

Example: Evaluation Final Score and Correlating Performance Increase

Evaluation Score	Performance Increase
80	4.0%
79	3.9%
78	3.9%
77	3.8%
76	3.8%
75	3.7%
74	3.7%
73	3.6%
72	3.6%
71	3.5%

Evaluation Score	Performance Increase
70	3.5%
69	3.4%
68	3.4%
67	3.3%
66	3.3%
65	3.2%
64	3.2%
63	3.1%
62	3.1%
61	3.0%

Weighted Categories

Values and Core Competencies are worth 60% of the evaluation overall score
Goals are worth 40% of the evaluations overall score

The matrix provides the salary adjustment increase based on an employee’s overall performance rating. Directors shall be responsible for ensuring their respective departments are within approved budget parameters and all proposed pay changes will be accompanied by a current job description review and approved by the Mayor/City Administrator prior to review with the employee.

NOTES:

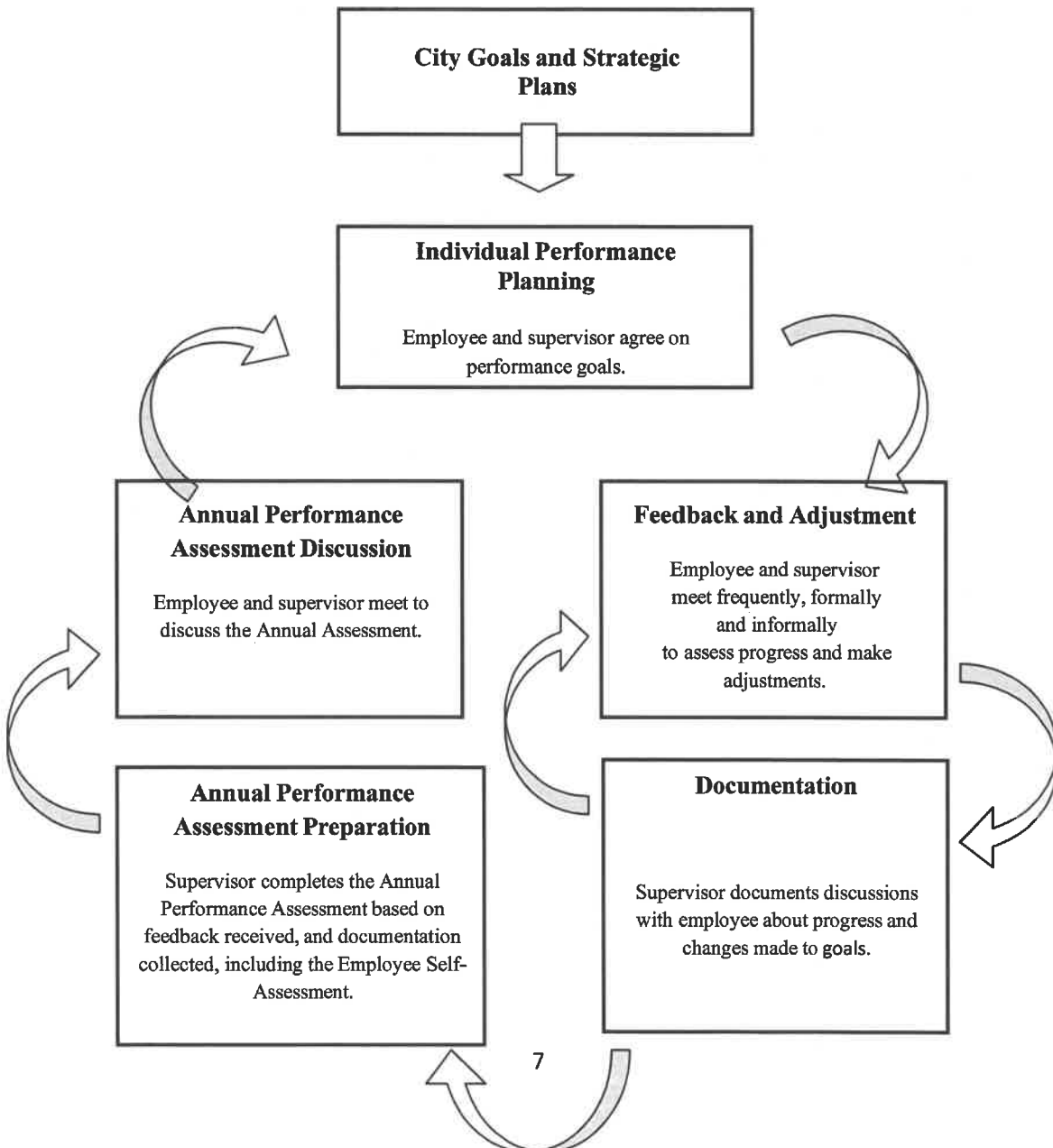
- An employee's base salary will not be increased above the pay range maximum.
- One-time Performance Award - An employee may receive a one-time performance award for exceptional performance on a major project, assignment or accomplishment. A request/approval for performance awards must be submitted by the Executive level leadership role for Mayor/City Administrator approval, not to exceed \$5,000.
- A supervisor who grades an employee with an overall rating in the range of 'Needs Improvement' should work with the director and human resources to address performance deficiencies. A supervisor who grades an employee with an overall rating in the range of 'Not Meeting Expectations' should work with the director and human resources to have the employee on a performance correction action plan to address deficiencies.

Performance Evaluation Program Guidelines

Performance Management Cycle

The City of West Richland Performance Evaluation Program (PEP) is designed to improve the performance management practices of the City's leaders as well as to improve individual, team, and organizational performance. It should enhance communication and allow employees and supervisors to maintain an open dialogue about performance.

Effective performance management follows a defined and complete cycle as illustrated below.



Performance Evaluation Program Guidelines

The City of West Richland's Performance Evaluation Program (PEP) has been designed to meet the needs of unaffiliated employees at all levels within the organization. To address the variety of competencies required at each level, three Annual Performance Evaluation Program (PEP) forms have been created; Employee, Supervisor, and Director. Each form has the same sections but includes different competencies depending on the level of the position being assessed.

The Annual PEP Form will be completed throughout the year beginning with:

- 1. The establishment of goals**
- 2. A mid-year assessment/review**
- 3. A year-end evaluation**

PERFORMANCE EVALUATION PROGRAM (PEP) -- Rating Scale

- 1. Not Meeting Expectations:** Performance expectations are not met and needs significant improvement. *Deficiencies have been discussed and/or noted in a performance correction notice.*
- 2. Needs Improvement:** Meets some but not all position requirements. *Continued Development and/or Mentoring Needed*
- 3. Meets Expectations:** Capable performance which typically meets all the expectations of the position and sometimes exceeds requirements. *Capable Employee*
- 4. Highly Effective:** Performance frequently exceeds position requirements. *Proficient Employee*
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GOAL SETTING

Goals should be developed consistent with a position's responsibilities and written using the **SMAART** format. This means that goals should be:

- S** pecific in nature – the exact activity to be pursued should be defined.
- M** easurable and/or observable – a method for determining completion of the goal must be determined.
- A** ttainable – the goal should be within the employee's reach in terms of time and resources.
- A** greed upon – the employee and the supervisor should agree on the goals at the beginning of the rating period.
- R** ealistic – the goal should be achievable within the defined rating period

and the appropriate resources should be made available for the employee to successfully complete the goal.

T ime-oriented – the goal should have a deadline or frequency attached.

For example, if the supervisor and employee agree that the employee wants to learn more about using Microsoft Excel to track project files, they might agree on a goal like this:

Not SMART: Attend a class on Microsoft Excel.

SMART: Attend a training class on Microsoft Excel and use the information learned to create a spreadsheet that tracks the elements of each project by March 1st

If a goal is not completed for circumstances beyond the employee's control, the supervisor may deem the goal not applicable (NA) and omit the goal from the Performance Evaluation Total Score. If a goal is primarily completed, but not fully completed for circumstances beyond the employee's control, the supervisor may still rate the employee at a 4) Highly Effective or a 5) Exceeds Expectations based upon the employee's efforts and what they were able to complete. Supervisors should explain and justify high ratings on an incomplete goal.

Best Practices

- Supervisors and employees should work together to determine annual goals.
- Supervisors need to be clear about expectations and objectives.
- Employees should track their accomplishments and submit them to their supervisor prior to mid-year and end of year reviews.
- Supervisors should notate and discuss progress on goals, performance deficiencies and ways to improve, and highlight outstanding performance.