RESOLUTION NO. 243

A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, ADOPTING REVISIONS TO PERSONNEL POLICIES REGARDING DEFINITIONS, EMPLOYMENT OF IMMEDIATE FAMILY MEMBERS AND PERFORMANCE EVALUATIONS

WHEREAS, the City of Shoreline has been operating under Personnel Policies last revised on November 28, 2005 by Resolution No. 239; and

WHEREAS, the City Council wishes to revise its Personnel Policies to add a definition, to provide flexibility in hiring of immediate family members as extra help employees and to update the language concerning performance evaluations; now therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON:

Section 1. Revision. The City Manager is authorized to implement a revised Personnel Policies, filed with the City Clerk under receiving number 3817, which shall include a new section 3.28 and amendments to Policies 4.12, 5.06 and 5.07 as set forth in Exhibit A attached hereto.

Section 2. Effective Date. The revised Personnel Policies shall take effect immediately.

ADOPTED BY THE CITY COUNCIL ON MAY 8, 2006.

[Signature]
Mayor Robert L. Ransom

ATTEST:

[Signature]
Scott Passey
City Clerk
3.28 **Time in paid status**

The period of hours during a pay cycle for which an employee receives compensation including hours worked, vacation, sick, holiday, management, personal or other paid leaves.

4.12 **Employment of Immediate Family**

A. Members of the immediate family of City elected officials will not be employed by the City in any capacity.

B. Members of the immediate family of employees will not be hired if:
   1. One individual would have the authority or power to influence decisions, supervise, hire, remove or discipline the other;
   2. One individual would be responsible for financially auditing the work of the other;
   3. One individual would handle confidential material that creates improper or inappropriate exposure to that material by the other; or
   4. The member of the immediate family (other than a spouse) would be employed in the same department as the employee with the following two exceptions:
      i. Extra help employees may be employed in the same department as an immediate family member if no conflict of interest exists, including those outlined in Section 4.12, B. 1-3
      ii. Spouses may be employed in the same department if none of the conflicts outlined in Section 4.12, B. 1-3 exist.

If two employees marry or become related and in the judgment of the City Manager, the problems noted above exist or could exist, one of the employees will be required to terminate employment unless some step can be taken to eliminate the problem. The decision to define and implement steps to eliminate the problem is at the sole discretion of the City Manager. A decision as to which employee will remain must be made by the two employees within 30 days of the date they marry or become related. If the parties do not make a decision within 30 days, the City Manager shall make the determination.

5.06 **Performance Management System Evaluations**

Each regular employee's performance will be evaluated by his or her supervisor on an ongoing basis. The City's Performance Management System involves annual evaluations and quarterly reviews. Employees must receive passing scores on both the essential knowledge, skills and abilities and the City values on diversity and ethics in order to receive the annual merit step increase. The System also includes performance development planning. Detailed information concerning the System is contained on the System's forms; also has a formal performance evaluation system.

Employees who disagree with their formal performance evaluations may provide comments on the evaluation form itself and may also submit a rebuttal in writing that will be attached to a copy
of their performance evaluation and kept in their official personnel file. Employees may also appeal pursuant to Section 8.15 Complaint Resolution Procedure.

5.07 Classification and Compensation Plan

The City has a strong interest in attracting and retaining excellent employees. It is the policy of the City to maintain a comprehensive classification and compensation program. Within budget limitations, the City endeavors to pay salaries competitive with those paid within comparable jurisdictions and within the applicable labor market.

The City Manager shall be responsible for the administration of the classification and compensation plan. All changes in classifications and changes in assignment of classifications to salary ranges must be approved by the City Manager.

A. Classifications. A classification description consisting of an appropriate title, description of duties, statement of minimum education, experience and training is prepared and maintained for all regular positions within the City. Each classification is assigned a salary grade and corresponding salary range by the Human Resources Director and the City Manager, with input from the appropriate Department Director. Periodically, the City may revise its classification descriptions and re-evaluate individual jobs.

B. Classification Review. An employee who does not believe that his or her classification accurately reflects the current duties of the position may request a review of his/her classification by the Department Director. After review by the Department Director and the Human Resources Director, any changes shall be recommended to the City Manager for reclassification as appropriate. The City Manager retains the final authority to approve or disapprove changes in classifications, within budgetary guidelines, and/or assignment of duties to employees. Any changes in classification that would increase an employee’s pay rate will be retroactive to the date of submittal of the request for review.

C. Steps. (Paragraph C does not apply to employees who are members of the City’s Leadership Team) The compensation plan consists of minimum and maximum salaries and six salary steps for each class of positions. The steps are set at 4% increments. Each step is an annual step. Once the top step is reached, the employee remains in the top step as long as the employee remains in the position.

D. Starting Rates of Pay: New employees generally will begin their employment at step 1 of the range for the classification. At the request of a Department Director, the Human Resources Director may recommend to the City Manager that a new employee start at a higher step. The City Manager must give approval prior to offering a salary above step 1. Offers will be extended by either the Human Resources Department or the Department Director.

Circumstances that support hiring above Step 1 include

1. Additional and directly applicable education or experience above the minimum requirements
2. Market conditions, including the applicant’s current salary, that support a higher starting salary
3. The proposed higher salary will not create inequities with existing internal salaries
The starting rate of pay for new employees hired into Leadership Team positions shall be determined by the City Manager.

E. **Step Increase.** (Paragraph E does not apply to employees who are members of the City’s Leadership Team) Regular employees not at the top step will be considered annually for advancement to the next step. The employee will receive the step increase if approved by the Department Director as part of the employee’s annual performance evaluation. The step increase will be effective on the step increase date.

F. **Promotion.** A regular employee receiving a promotion shall be placed in the first step in the new range that provides for at least a 5% increase or the top step of the new range if there is not step that allows at least a 5% increase. The employee’s promotion date becomes the employee’s step increase date. A Leadership Team member receiving a promotion or an individual being promoted to a position on the Leadership Team shall have their salary established at the discretion of the City Manager.

If the Department Director believes that circumstances warrant an exception to the 5% placement rule, and if the Human Resources Director concurs, they may recommend to the City Manager a higher placement. Circumstances that support a placement greater than a 5% increase are:

1. Additional and directly applicable education or experience above the minimum requirements
2. Market conditions that support a higher starting salary
3. The proposed higher salary will not create inequities with existing internal salaries

G. **Transfer.** A regular employee receiving a transfer shall remain in the same step and retain the same step increase date.

H. **Demotion.**

1. **Disciplinary Demotion.** If the demotion is a result of a disciplinary action, the employee shall be placed in the highest step in the new range that provides for a decrease. The demotion date will become the employee’s new step increase date.

2. **Any Other Demotion.** If the demotion is a result of any reason other than discipline and the employee’s current salary is within the new pay range, the employee shall remain at the same rate of pay until the employee’s next step increase date. On the step increase date, the employee shall move to the next step in the new range that provides for an increase. The employee shall retain the same step increase date. If the employee’s current salary is higher than the top step of the new salary range, the employee shall be placed in the top step of the new range.

3. If a Leadership Team member is demoted, his or her salary shall be determined by the City Manager.

4. If a classification is removed from the Leadership Team, the City Manager shall determine the appropriate salary range and assign the classification to the City’s step/range system. The employee’s salary placement shall be determined by the step/range system rules as outlined in subsection G.

I. **Y-Rating.** When a regular employee’s position has been y-rated, the employee will remain at the same rate of pay until the pay range increases enough to include that rate. At that time, the employee shall be placed in the first step that does not provide for a decrease. No COLA or step increase will be awarded during this period.
J. **Special Salary Rules for Employees on the City’s Leadership Team.** Membership on the City’s Leadership Team shall be in the discretion of the City Manager. Leadership Team classifications will be placed in a salary range that reflects the market as established in the City’s compensation policy, but which has no steps.

In December of each year the City Manager shall make a determination as to where within the appropriate salary range the individual will be placed for the following calendar year. In making this determination, the City Manager will apply the following criteria:

- Length of employment in the position;
- Performance and work plan achievement;
- Results of the employees annual performance evaluation; and,
- The City’s annual market adjustment.