1. **PURPOSE:** To establish a policy and procedures to maintain an Employee Classification and Salary Plan.

2. **ORGANIZATIONS AFFECTED:** All departments/divisions.

3. **REFERENCES:** Washington State Wage Act (WSWA), RCW 49.46, Federal Fair Labor Standards Act (FLSA), as amended.

4. **POLICY:**

   **Employee Positions.** All employee positions are subject to available funding. In the adopted budget, City Council approves the number and type of funded positions and a list of classifications. The City Manager has the authority, subject to available funds within the approved budget, to approve limited-term and temporary workers.

   **A. Employee Classification and Salary Plan.** It is the policy of the City to maintain an Employee Classification and Salary Plan designed to pay salaries that provide incentives for excellence in job performance and that are equitable internally, that is, salaries in a proper relationship to all other jobs within the City. It is also the policy of the City to pay salaries that compare favorably with other similar cities and the local area for comparable jobs within budget limitations and with full consideration for the public it serves. The City Council adopts a Classification Plan, and approves the salaries to be paid as part of the biennial budget. The current Classification Plan and salary structures are maintained by the Human Resources Department.

   **B. General Salary Increase.** Based upon available funds within the budget approved by City Council, the City Manager may implement a cost-of-living increase for non-represented employees once per calendar year, which adjusts the salary structure by an approved percentage or flat dollar amount. Salary structure adjustments for bargaining units are determined by collective bargaining agreements.

   **C. Employee Reclassification.** It is the responsibility of supervisors to ensure that Human Resources review significant changes in duties to a position in advance of assigning the work to an employee. The City Manager has the authority to approve re-classifications that can be covered by available funds as approved by the City Council in the biennial budget when:

   - Changed duties result from additions, expansions or reductions of responsibilities, and/or;
   - Changed qualifications or training required for the position, and/or;
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- Consolidation or reassignment of duties which significantly change the position, and/or;
- A change in the department's future organizational structure and service delivery needs, and/or;
- The Human Resources Director determines that labor market conditions exist that have placed the classification pay grade outside of similar or like classifications in comparable organizations.

Re-classifications where budgeted funds are not available must be submitted to the City Council for approval.

5. PROCEDURES:

A. Acting Appointments. When a vacancy or extended absence occurs, the City may assign an employee to temporarily perform the duties of the vacant position. If the employee’s “acting appointment” is at a higher classification than their regular position and extends thirty (30) or more calendar days, the employee shall be placed at the step that is closest to a 4% increase of their base rate of pay, but no less than 4%.

B. Salary Structures. The Employee Classification and Salary Plan includes structures for represented and non-represented employees which covers all position classifications established by the City except the City Manager, which is defined by contract with the City Council.

C. Starting Salary. New employees are generally placed in the classification range as follows:

- **Step 1:** The new employee has 0 to 2 full years of experience in a similar or higher-level position and meets all qualification requirements of the position.

- **Step 2:** The new employee has at least 2 full years of experience in a similar or higher-level position and meets all qualification requirements of the position.

- **Step 3:** The new employee has at least 3 full years of experience in a similar or higher-level position and meets all qualification requirements of the position.

- **Step 4:** The new employee has at least 4 full years of experience in a similar or higher-level position and meets all qualification requirements of the position.

- **Step 5:** The new employee has at least 5 full years of experience in a similar or higher-level position and meets all qualification requirements and preferred years of experience and education levels.
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- **Step 6:** The new employee has at least 6 full years of experience in a similar or higher-level position and meets all qualification requirements and preferred years of experience and education levels.

- **Step 7:** Generally, new employees will not be placed in Step 7.

Job placements at any step above need to be approved by the Supervisor, Department Director, and Human Resources Director unless otherwise required in this or any other City policy.

The City reserves the right to make exceptions to the placement of new employees within their salary classification range based on factors that include, but are not limited to: the desire of the new employee, available funds as approved in the budget, difficulty of filling the position, and cost of filling or not filling the position. Exceptions to the procedures in this section must be reviewed by the Human Resources Director and approved by the Department Director and the City Manager.

D. **Unsatisfactory Performance Evaluations.** If an employee does not overall meet expectations as documented on their annual performance evaluation, the employee shall not be eligible for any step increases until the next annual evaluation is conducted. Step increases will only be awarded to employees who overall meet expectations as documented on their performance evaluation form. Employees who overall meet expectations as documented on their annual performance review form are eligible for a step increase on their anniversary date until they have reached the last step on their pay range.

E. **Job Descriptions.** Department directors are responsible for ensuring that the job descriptions for all the positions within their department are up-to-date and that each employee in their department is properly classified. It is also management’s right and responsibility to determine how work will be distributed and performed. In doing this, management and supervisors have the right and responsibility to assign work, limit or reassign job duties to avoid “classification creep” which results in positions “creeping” into a classification in a higher pay range without first determining the need for such advancement. Changes to an existing job description or new job descriptions shall be reviewed by the Human Resources Department and approved by the Human Resources Director.

F. **Procedure for Evaluating Classifications and Implementing Re-classifications.**

1. The Department Director or designee initiates a re-classification by filling out a Re-classification Request Form and submitting it to the Human Resources Department. Ultimately, the Department Director is responsible for discussing the re-classification with the Finance Department and ensuring that Council authorized funds are not exceeded.
2. A job analysis is conducted by the Human Resources Department to determine whether a re-classification is warranted per the requirements of Section 4(C).

3. The Human Resources Department will review the results of the analysis with the Department Director.

4. Recommendations for re-classification are submitted to the City Manager by the Human Resources Director.

5. The City Manager's decision regarding a reclassification is final unless Council authorized funds are exceeded in which case it will need to be approved by the City Council.

6. Upon approval of a reclassification to a higher salary range, the employee shall be placed at the step that is closest to a 4% increase in the base rate of pay, but no less than 4%.

7. Upon approval of a reclassification to a lower salary range, the employee will be placed at a step on the lower salary range that most closely matches their current salary rate. If the last step in the new range is lower than the employee's current salary rate, the employee's salary will be frozen (unaffected by cost-of-living increases) until the employee's “frozen” rate of pay falls within the new range as a result of market or cost of living adjustments to the salary schedule.

8. An approved re-classification will become effective at the start of the payroll period after approval.

9. The classification will be updated in the next biennial budget submitted for approval to the City Council.

G. Procedure for Employee’s Requesting an Evaluation of their Classification or Job Description.

Employees who want their classification or job description evaluated should contact the Human Resources Department and may be required to fill out forms or provide additional information related to their request. The Human Resources Department will discuss the employee request with the employee’s supervisor and Department Director. If the Department Director agrees that a change is warranted then the process under Section F will be followed or whatever process is required in the applicable collective bargaining agreement. Employee’s will be notified of the Department Director’s decision within ninety (90) days or will be told when a decision will be made. If employees don’t agree with the Department Director’s decision they can appeal the matter to the Human Resources Department. The Human Resources Department will respond to the employee’s appeal within thirty (30) days.