



Memorandum

Date: 12/6/2022
Meeting of: City Council

File No. AM No. 22-181
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Human Resources	Cathryn Laird	425-556-2125
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DEPARTMENT STAFF:

Human Resources	David Puente	HR Labor/Policy Analyst
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TITLE:

Approval of the 2023 COLA, Pay Plan Updates, Other Items Affecting Wages, and Policies

- a. Ordinance No. 3100: An Ordinance of the City of Redmond, Washington, Amending Pay Plans "A" and "Af-S," in Order to Set Salaries for Employees Covered by the AFSCME Bargaining Unit for the Year 2023; Providing for Severability and Establishing an Effective Date
- b. Ordinance No. 3101: An Ordinance of the City of Redmond, Washington, Amending Pay Plan "E" for the Year 2023; Providing for Severability and Establishing an Effective Date
- c. Ordinance No. 3102: An Ordinance of the City of Redmond, Washington, Amending Pay Plans "N" and "N-S," in Order to Set Salaries for the Non-Represented Employees for the Year 2023; Providing for Severability and Establishing an Effective Date
- d. Ordinance No. 3103: An Ordinance of the City of Redmond, Washington, Amending Pay Plan "G-S" in Order to Set Salaries for the General Supplemental Employees for the Year 2023; Providing for Severability and Establishing an Effective Date
- e. Ordinance No. 3104: An Ordinance of the City of Redmond, Washington, Amending Pay Plans "PS" and "S-PS," in Order to Set Salaries for Employees Covered by the Teamsters Local Union No. 117 Bargaining Unit for the Year 2023; Providing for Severability and Establishing an Effective Date
- f. Ordinance No. 3105: An Ordinance of the City of Redmond, Washington Amending the Additional Duty Pay for Police Captains
- g. Resolution No. 1564: A Resolution of the City Council of the City of Redmond, Washington Amending Section 7.80 of the Redmond Personnel Manual Changing Longevity Pay to Experience Recognition Pay
- h. Resolution No. 1565: A Resolution of the City Council of the City of Redmond, Washington Reestablishing the Tuition Reimbursement Program for 2023-2024

- i. Resolution No. 1566: A Resolution of the City Council of the City of Redmond, Washington Amending Section 3.130 of the Redmond Personnel Manual Adding Deputy Directors to the List of At Will Status Classifications
- j. Resolution No. 1567: A Resolution of the City Council of the City of Redmond, Washington Amending the Redmond Personnel Manual to Establish a Furlough Policy
- k. Resolution No. 1568: A Resolution of the City Council of the City of Redmond, to Provide a Retention Bonus for Non-Represented Employees

OVERVIEW STATEMENT:

The 2023 Cost of Living Adjustment (COLA) is being requested for the following salaries and pay plans: AFSCME Regular (“A”) and AFSCME Supplemental (“AF-S”); Non-represented Executive (“E”), Non-represented regular (“N”), Non-represented Supplemental (“N-S”), and General Supplemental (“GS”); and Police Support Regular (“PS”) and Police Supplemental (“S-PS”). Also being requested is approval for a one-time Retention Bonus for non-represented employees in the “N” and Deputy Directors in the “E” pay plans, increase the Additional Duty Pay for the Police Captain classification, Longevity Pay policy update for non-represented employees, Tuition Reimbursement policy update, Furlough policy options, and At-Will Status policy update. for Deputy Directors

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

- Receive Information** **Provide Direction** **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
City Council is required to authorize salary and/or classification changes to pay plans, in accordance with the City of Redmond Personnel Manual Section 7.10. City Council is required to authorize benefit changes to the Personnel Manual, in accordance with the City of Redmond Personnel Manual Section 1.40.
- **Council Request:**
N/A
- **Other Key Facts:**
Council has previously reviewed and approved the RCHEA 2023 pay plan and cost of living adjustments.

OUTCOMES:

Approval by City Council is being sought for the following changes:

The City and AFSCME agreed during contract negotiations to use June 2022 CPI-W, with a floor of 2% and a ceiling of 6%, so AFSCME “A” and “AF-S” Pay Plans would receive the contract ceiling of a 6% COLA.

Changes to non-represented pay plans are provided matching the RCHEA percentage to ensure consistency in treatment

between represented and non-represented employees, and to ensure those salary ranges remain within market. The City and RCHEA agreed during contract negotiations to a flat 7% increase, so non-represented employees in the “E,” “N,” “N-S,” and “GS” Pay Plans would receive a 7% COLA. Additional changes to the pay plans include updated, removal, and addition of classification titles and establishment of salary bands.

Provide for a one-time, non-precedent setting \$2,400 Retention Bonus for employees in the “N” and Deputy Directors in the “E” pay plans, and a \$6,000 Retention Bonus for employees in the Police Captain classification in the “N” pay plan. Employees will be required to sign an agreement to receive the funds and if they separate from the City within an identified period of time, they will be required to reimburse the funds as outlined in the agreement.

The City and Police Support agreed during contract negotiations to use First Half 2022 CPI-W with a floor of 2% and a ceiling of 5%, so Police Support “P” and “S-PS” Pay Plans would receive the contract ceiling of a 5% COLA.

The most recent agreement between the City and Police Lieutenants Collective Bargaining Agreement (CBA) caused salary compression between the ranks of Lieutenant and Captain. Approval is requested to increase Additional Duty Pay for Captains from 3% to 4%, which mirrors the same increase from 3% to 4% for Lieutenant Availability Pay.

Update the Personnel Manual to increase Longevity Pay for employees in the “N” and Deputy Directors in the “E” pay plans to \$200 per month for employees who have worked five or more years with the City. Also rename “Longevity” to “Experience Recognition Pay.” This pay has been unchanged since at least 1987 and the intent is to mirror the recently approved RCHEA CBA.

Update the Personnel Manual to reestablish the Employee Education Assistance Program (EEAP), rename EEAP to Tuition Reimbursement Program, and establish policy for an identified period of time up to a maximum reimbursement amount allowable. This is a benefit to employees and provides equity opportunities to assist an employee in receiving an undergraduate or masters degree.

Add to the Personnel Manual Furlough policy to provide options for salary savings before proceeding with Layoffs, whenever possible.

Update the Personnel Manual to add Deputy Directors (except Deputy Fire Chief) to “At-Will Status.”

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

Finance included COLAs and salary adjustments in the 2023-2024 Budget documentation that was presented to Council. This means effective January 1, 2023, salary adjustments are budgeted for and will be provided to employees in the pay plans listed above.

66 of the 102 non-represented employees have 5+ years with the city and would be immediately eligible for the Experience Recognition Pay of \$200 per month on January 1, 2023. The cost for 66 employees would be approximately \$13,200 per month or \$158,400 annually for 2023.

The Additional Duty Pay for the Police Captain classification affects two police captains. The increase in Additional Duty Pay is from 3%-4%. The cost of this increase would be approximately \$15,609 for 2023.

The Tuition Reimbursement Program is budgeted at \$150,000 total for the 2023-2024 biennium.

With 102 non-represented employees eligible for the one-time retention bonus of \$2,400, the cost of the bonus would be approximately \$244,800.

The \$6,000 retention bonus for the two Police Captains would cost \$12,000.

Approved in current biennial budget: Yes No N/A

Budget Offer Number:
N/A

Budget Priority:
Strategic and Responsive

Other budget impacts or additional costs: Yes No N/A

If yes, explain:
N/A

Funding source(s):
N/A

Budget/Funding Constraints:
N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
11/15/2022	Committee of the Whole - Public Safety and Human Services	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

Implementation of wage and salary range changes and policy updates is targeted for January 1, 2023. Approval in 2022 will allow HR and Payroll staff time to complete the required communicating, processing, and implementing of the changes.

ANTICIPATED RESULT IF NOT APPROVED:

No pay plan changes/COLA adjustments would be made, resulting in the union group filing an unfair labor practice (ULP) for failure to negotiate changes in working conditions (pay) to their CBAs, a loss of market wage competitiveness, and potential impact to employee retention, especially for non-represented employees. Pay plan changes should be implemented in accordance with the union contracts and any reductions identified should be negotiated after the fact, with non-represented employees being treated similarly. Policy updates would wait until 2023 to be implemented.

ATTACHMENTS:

Attachment A: Proposed Salary Ordinance for AFSCME and AFSCME Supplemental Pay Plans

Exhibit 1: 2023 AFSCME Salary Structure (Pay Plan "A")

Exhibit 2: 2023 AFSCME Supplemental Salary Structure (Pay Plan "AF-S")

Attachment B: Proposed Salary Ordinance for Executive Pay Plan

Exhibit 1: 2023 Executive Salary Structure (Pay Plan "E")

Attachment C: Proposed Salary Ordinance for Non-Represented and Non-Represented Supplemental Pay Plans

Exhibit 1: 2023 Non-Represented Salary Structure (Pay Plan "N")

Exhibit 2: 2023 Non-Represented Supplemental Salary Structure (Pay Plan "N-S")

Attachment D: Proposed Salary Ordinance for General Supplemental Pay Plan

Exhibit 1: 2023 General Supplemental Salary Structure (Pay Plan "G-S")

Attachment E: Proposed Salary Ordinance for Police Support and Supplemental Police Support Pay Plans

Exhibit 1: 2023 Police Support Salary Structure (Pay Plan "PS")

Exhibit 2: 2023 Supplemental Police Support Salary Structure (Pay Plan "S-PS")

Attachment F: Proposed Salary Ordinance for Additional Duty Pay for Police Captain classification

Attachment G: Proposed Resolution for Experience Recognition Pay

Attachment H: Proposed Resolution for Tuition Reimbursement Program

Attachment I: Proposed Resolution Adding Deputy Directors to At Will Status

Attachment J: Proposed Resolution Establishing Furlough Policy

Attachment K: Proposed Resolution for Non-Represented Employees Retention Bonus