

SEPTEMBER 14, 2020 COUNCIL MEETING

**SALARY ADJUSTMENTS FOR NON-REPRESENTED/EXEMPT
EMPLOYEES AND RETROACTIVE PAY POLICY**

Two Items for Discussion

- 2020 Salary Adjustment for Non-Represented/Exempt Employees
- Policy for Future Retroactive Payments for Non-Represented/Exempt Employees as recommended by the State Auditor

2020 Budget Includes 2% Increase for All City Employees

Salary Adjustment for Non-Represented/Exempt Employees

- Due to the timing of this request, the Administration is recommending a 2.5% salary adjustment for the non-represented/exempt employees.
 - ❖ Effective September 25, 2020
 - ❖ Applies to October/November/December pay periods only
 - ❖ The overall adjustment will be significantly less than what the 2% would have been for the entire year for this workgroup
 - ❖ No retroactive payments associated with this request

- Non-represented/exempt employees include:
 - ❖ Department Directors/Managers
 - ❖ Mid-managers
 - ❖ Airport Staff
 - ❖ Fire Dept. Administrative Assistant

RETROACTIVE SALARY ADJUSTMENT POLICY

- ❖ **Per the State Auditor's Office, Article II, Section 25 of the Washington State Constitution generally prohibits retroactive increases to employee compensation.**
- ❖ **As part of the 2018 Audit, the State Auditor's Office recommended that the City establish policies and controls to ensure that we are following state law prohibiting additional compensation to employees for services already rendered.**
- ❖ **This policy will provide authorization to implement future retroactive payments to non-represented/exempt employees if that is the direction given by the Council.**

RESOLUTION 09-2020

AMENDING THE EMPLOYEE RULES AND REGULATIONS REGARDING COMPENSATION FOR NON-REPRESENTED/EXEMPT EMPLOYEES

EXHIBIT "A"

Purpose and Scope

This personnel policy applies to all employees of the City of Chehalis who are exempt from the Fair Labor and Standards Act and non-represented positions, not covered by collective bargaining agreements. This document provides policy for matters of salary for non-represented and exempt positions. Unless otherwise stipulated, this policy covers all persons and positions noted above.

PROPOSED LANGUAGE AMENDING CHAPTER III – COMPENSATION **CITY OF CHEHALIS EMPLOYEE RULES AND REGULATIONS**

Section 14. Cost of Living Adjustment for Non-represented/Exempt Employees

Upon the recommendation of the City Manager and the approval of the City Council, employees' pay may be adjusted by an annual cost-of-living adjustment and/or other wage increase. With City Council approval, such adjustments may be retroactive to be consistent with the implementation dates of one or more of the other collective bargaining agreements of the City. Such adjustment shall also adjust the salary ranges outlined in the Salary Schedule.

Recap of Previously Approved and Proposed Cost of Living Adjustments

| Employee Group | Cost of Living Adjustment 2020/2021/2022 | Implementation Date |
|-----------------|---|---|
| Police | 3%/3%/3% Approved by Council | Retroactive to January 1, 2020 |
| Fire | 2%/2%/1.5% Approved by Council | Retroactive to January 1, 2020 |
| Non-Uniformed | 2%/2%/1.5% Proposed | Proposed Retroactive to January 1, 2020 |
| Non-Represented | 2.5%/2%/1.5% Proposed | Proposed September 25, 2020 (Not retroactive) |

Questions?
