

## **II. COMPENSATION POLICIES**

### **F. COMPENSATION PROGRAMS**

An employee's total compensation includes both pay and benefits provided by the City. Pay includes all pay that is included in the regular rate and additional pay. Benefits include mandated benefits (e.g. Social Security, Medicare, and Unemployment Insurance taxes and KPERS/KPF contributions) as well as programs such as health insurance, deferred pay, paid time off, flexible benefit plans, and life insurance.

#### **1. Job Evaluation**

City jobs are evaluated on a regular basis, then assigned a job grade within one of the City's pay plans. Each job grade has a pay range with a minimum and maximum rate of pay. This systematic job evaluation process ensures that jobs that require equal work are paid the same rate or within the same pay rate range. Employees may receive different rates of pay within a pay range due to differences in length of service, or a difference in the quality or quantity of work performed. Pay ranges are established taking into consideration the level of effort, responsibility, skills and working conditions required by each job, prevailing rates of pay in the labor market, economic factors, financial considerations, and the recruitment and retention experience of the City.

#### **2. Reserved**

#### **3. Additional Pay**

With the City Manager's approval, Department Directors may establish other types of additional pay, such as shift differential pay, premium pay for holidays or weekends worked, on-call or call-back pay for select employees, jobs, or work groups. Additional pay is not transferable when an employee transfers to a new job within the City. All additional pay will be recorded in the employee's personnel file.

#### **4. Performance Management**

New or transferred employees who are classified as full-time regular or part-time regular must serve a standard performance trial period, which is the initial six (6) months of employment, or initial six (6) months after the assignment to a new

position within the City. New Police Officers must serve a performance trial period of one (1) year. The Department Director may extend the performance trial period.

The successful completion of the performance trial period should not be construed as creating an employment contract or as guaranteeing employment for any specific duration as the City is an at-will employer. The City will terminate any new employee who does not satisfactorily complete the performance trial period. The City may terminate any transferred employee who does not satisfactorily complete the performance trial period or demote that employee into another vacant job for which he or she meets the minimum qualifications, at the Department Director's discretion.

The performance appraisal is the official document that serves to record an employee's work performance and goals during the performance appraisal cycle. The performance appraisal cycle is the timeframe during which an employee's performance is either directly observed or verified for the purpose of providing a formal rating of record. New and transferred employees will have a three-month appraisal, six-month performance trial period appraisal, and annual appraisal thereafter, with the following exceptions:

- New Police Officers will be subject to a trial period appraisal that is only for the purpose of a performance appraisal six months after the officer's release to "self-directed" duty. The officer will also have a merit-eligible performance appraisal on the first anniversary of their date of hire and annual appraisals thereafter.
- New and transferred sworn Fire Medical department employees covered by the MOU will have performance appraisals annually until the pay range maximum is reached. After the pay range maximum is reached, the appraisal date will be January 1. During transition to this date, at least six (6) months and no more than 18 months will elapse between appraisals.

In addition, immediate supervisors may, at their discretion, meet informally or formally with employees at a time that is not during the annual performance appraisal to discuss performance. Such meetings are called progress review discussions.

During each appraisal meeting, the immediate supervisor will discuss the employee's progress on the job, clarify job responsibilities and expectations, and

develop the employee's performance plan, which is the basis of evaluation for subsequent appraisals. The performance plan lists the specific goals, objectives, timeframes, and expectations for the performance appraisal cycle.

Employee performance appraisals will be used as a tool to assist in making employment decisions including pay increases, promotions, transfers, demotions, reclassifications, disciplinary actions, training, and orders of lay-off.

Each performance appraisal is reviewed by the Department Director then submitted to the Human Resources division to be recorded in the employee's personnel file. Each employee is required to sign the performance appraisal to certify that he or she has reviewed it. The employee's signature does not necessarily indicate agreement with the overall performance rating of record. Employees may comment on the performance appraisal in writing. Any comments will be attached to the performance appraisal and recorded in the employee's personnel file.

The performance improvement plan is a plan of action that addresses less than effective performance in any of the performance factors that are rated on the performance appraisal. It is designed to address an immediate change in a specific behavior or skill. A performance improvement plan timeframe is generally either 30, 60, or 90 calendar days depending on the performance factor needing improvement and the frequency of the tasks or skills used to demonstrate proficiency. Continued employment is generally contingent on successful completion of a performance improvement plan. A performance improvement plan may be developed as part of the performance appraisal or a disciplinary action.

## **5. Pay Increases**

Unless noted otherwise below, employees are eligible for increases as approved by the City Manager.

Certain classifications of Police Department employees who are covered under a Memorandum of Understanding Agreement are eligible for increases as outlined in the agreement.

Certain classifications of Fire Medical employees who are covered under a Memorandum of Understanding Agreement are eligible for increases as outlined in the agreement.

Certain classifications of Solid Waste employees who are covered under a Memorandum of Understanding Agreement are eligible for increases as outlined in the agreement.

The pay increase guidelines are not applicable to Police and Fire Medical department employees or Utility Operators in situations when they must pass examinations in order to receive pay adjustments.

Performance-based pay increases outside of the employee's normal performance appraisal cycle may be awarded with the City Manager's approval.

Pay increases are not guaranteed and depend on the appropriation of funds.

## **6. Administration of the Primary Pay Plan**

These guidelines apply only to the administration of the primary pay plan. Employees covered by a memorandum of understanding will be governed by the terms and conditions set forth in the memorandum of understanding.

**New Hires.** Newly hired non-exempt employees can be initially placed on the primary pay plan at step 1 through 3. The department head may place the hire above step 3 in consultation with the Director of Human Resources if there is a lack of candidates for the open position, the candidate possesses exceptional qualifications for the position, or it is deemed in the best interest of the City as determined by the Director of Human Resources. Newly hired exempt employees can be initially placed on the primary pay plan at steps 1 through 5. The department head may place the hire above step 5 in consultation with the Director of Human Resources if there is a lack of candidates for the open position, the candidate possesses exceptional qualifications for the position, or it is deemed in the best interest of the City as determined by the Director of Human Resources. Department heads may be initially placed at any step on the pay plan with the approval of the City Manager.

**Promotions.** A promotion occurs when an employee applies for and is selected for a classification that has a higher starting wage than the employee's current classification. An employee can be placed on any step in the new range that will give the employee an increase in wage up to the current step number the employee is currently assigned.

**Demotions.** A demotion occurs when an employee moves to a classification that has a lower starting wage than the employee's current classification. An employee can be placed on any step in the new range that will give the employee a decrease in wage.

**Reclassifications.** A reclassification occurs when an employee is moved from one classification to a different classification in a different pay range. A reclassification with an increase in wage will be treated as a promotion as outlined above. A reclassification with a decrease in wage will be treated as a demotion as outlined above.

**Reallocations.** A reallocation occurs when an entire classification is moved to a new pay range. A reallocation with an increase in wage will be treated as a promotion as outlined above provided that all incumbents are treated in the same manner. A reallocation with a decrease in wage will be treated as a demotion as outlined above provided that all incumbents are treated in the same manner.

**Out of Class.** Employees working out of class will be placed on the new pay range in accordance with the promotion guidelines above.